JPRS-SEA-86-103

17 JUNE 1986

# Southeast Asia Report

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INDONESIA

## MOKHTAR VIEWS FOREIGN BASES IN ASEAN REGION

BK251026 Jakarta MERDEKA in Indonesian 16 May 86 pp 1, 9

[Excerpts] Jakarta, Thursday [16 May], MERDEKA--Foreign Minister Mokhtar Kusumaatmaja reiterated that Indonesia should not fear the presence of the Soviet Union's naval base in Vietnam. The naval base does not pose a communist threat to Indonesia.

The assurance was given by Foreign Minister Mokhtar at a working meeting with Commission I of parliament on Wednesday evening [14 May], when answering a question from Sahudi, a member of the commission.

Sahudi is of the opinion that Indonesia's foreign policy is rather moderate when dealing with the presence of foreign bases in the ASEAN region. According to Sahudi, Indonesia, as a member of the non-aligned, should be firm and impartial.

At the working meeting chaired by the commission's Vice Chairman, Sabar Kumbino, Foreign Minister Mokhtar reaffirmed Indonesia's firm attitude toward foreign bases present in the ASEAN region. Foreign Minister Mokhtar said the communist threat experienced by Indonesia in 1948 and 1965 did not originate from foreign bases because there were no foreign bases in the ASEAN region at that time.

According to Mokhtar, the communism that arose in Indonesia was carried out by people who took advantage of the unstable situation in the country or the bad economic and social situation which gave rise to subversive actions.

As Foreign Minister Mokhtar explained, possible guarantee to the absence of threat from the Soviet Union's naval base in Vietnam is the presence of the U.S. military base in the Philippines.

The foreign minister said, "If they are real naughty, the United States will not remain quiet."

According to Foreign Minister Mokhtar, the bases are situated in remote areas which are difficult for logistic supplies to be brought in. Minister Mokhtar is confident that the foreign bases will not stay long at their present places.

The foreign Minister said, "We are not at war or quarrelling with the Soviet Union," and added that it would be ideal if the bases belonging to the superpowers are not present at all in the ASEAN region.

The foreign minister further explained: "We have to be realistic. We cannot say one base can be present and the other cannot. As there is already one base in the Philippines, well, there can also be one in Vietnam."

However, Foreign Minister Mokhtar made it clear that Indonesia has a wish for the two bases to be closed.

/12232
CSO: 4213/150

COMMENTARY EXAMINES IMPORTANCE OF SATELLITES

BK280805 Jakarta Domestic Service in Indonesian 1200 GMT 27 May 86

[Station commentary]

[Text] The importance of interregional telecommunications as well as telecommunications between regional areas and the central government is reflected in President Suharto's instruction to the minister of tourism, posts, and telecommunications in Jakarta on Monday [26 May]. On that day, the minister paid a special visit to the president to report on the problem of launching the Palapa B-2P satellite, which Indonesia reportedly will have to wait until 10 June for confirmation of launching. At the same time, the U.S. NASA has also announced its new rocket-launching schedule.

As is known, the Palapa B-2 satellite was launched by the Challenger space shuttle on 6 February 1984, but 90 minutes after its launching, it was found to be defective due to a malfunction in its equipment. Besides, its orbit was not in accordance with what was orginally planned. Having 24 transponders and a life service of 8 years, the Palapa B-2 satellite was initially intended to back up the Palapa B-1 satellite, which was launched in 1983. However, the failure in the launching of the Palapa B-2 has necessitated the utilization of the Palapa A-2, put into service in 1976 to back up the Palapa A-1, by using its fuel thriftily.

In view of the fact that Indonesia has for a long time been using satellites for its domestic communications system, and its subsequent awareness of the benefit of domestic satellite communications system for promoting the archipelagic concept of the country, it is easy to understand why the president has instructed the minister of tourism, posts, and telecommunications to take the necessary measures to ensure the continuity of the domestic telecommunications network.

The president's instruction is also in line with the evolution of human civilization, which, according to Alfin Toffler, can be classified into the so-called three waves. The first wave, lasting from 8000 BC to 1700, is called the agricultural age. The second wave, from 1700 to 1970, is called the industrial age, whereas the third wave, from 1970 to the 2000's, is called the age of information. According to John Naisbitt, the (change from) the industrial years, as opposed to the change from the agricultural society to the industrial one. Such is the rapid change of events, especially after the introduction of satellite technology in 1957 as a means of communications, which later on was combined with computer technology.

While it is true that the progress we have achieved in the field of communications is not yet as advanced as that achieved by developed countries, we have laid the groundwork for the speedy dissemination of information from one region of the country to another or from the regional area to the central one. This system is highly beneficial for maintaining the unity and integrity of the country, and ensuring national security and successful development.

The next level of progress will utlimately depend on the launching of the Palapa B-2P satellite--the earlier it is launched the better for Indonesia. If possible, NASA is expected to equip the Palapa B-2P with a device designed to counter satellite-jamming activities. The other superpower has apparently been able to jam satellites currently overcrowding our space with a view to sabotaging their performance.

/12232
CSO: 4213/151

## BRIEFS

ITALIAN LOAN--Jakarta, 26 May (ANTARA)--The Indonesian Government has received a soft loan of $22.5 million from Italy to finance construction of the BATAN (National Atomic Energy Board) safety laboratory and engineering project in the PUSPIPTEK (Center for Science and Technology Development) at Serpong and a regional and teaching hospital in Mandanao [as published]. Italian assistance to the indonesian nuclear project totals $7.5 million. The loan is to be repaid in 20.5 years, with a grace period of 10.5 years and an annual interest rate of 1.5 percent. [Summary] [Jakarta ANTARA 1449 GMT 5 May 86 BK] /12232

PERTAMINA DENIES REPORTS--Indonesia has dismissed reports that South Korea will revoke a contract for the importation of Indonesian LNG unless Indonesia reduces the price. The chief of public relations division fo the Pertamina State Company, (K.H. Ramli), made a denial in Jakarta today. A French news agency dispatch reported yesterday that South Korea may revoke the 20-year contract and buy LNG from Malaysia and Australia instead. According to the contract signed by officials from both countries in 1983, South Korea would import 2 million metric tons of Indonesian LNG annually for 20 years. [Text] [Jakarta Domestic Service in Indonesian 1500 GMT 28 May 86 BK] /12232

CSO: 4213/151

COMMENTARY CALLS REAGAN 'INTERNATIONAL TERRORIST'

Vientiane PASASON in Lao 28 Apr 86 p 4

[Column: "The Endless Cruelty of Reagan, the International Terrorist"]

[Text] A few days ago, the United States accused Nicaragua of acting like a Syria located at the front gate of the United States. At a news conference with reporters at the White House, President Ronald Reagan firmly confirmed that, "If there is proof similar to that for Libya, the United States of America again will attack Syria and Iran." These statements are also the words of a person who believes in terrorism and acts like a real sea pirate. These arrogant statements not only reflect the true cruel and bloodthirsty nature of international terrorists, but also show clearly to the populace the bad intentions, supremist and warlord like use of force and adventurism of the Washington administration.

As everybody knows, after the cruel and barbaric bombing of Tripoli and Benghazi in Libya for international terrorism on 15 April, the United States itself was condemned by the world's populace for its air attacks, which killed Libyan civilians, mostly children, women and old people who are not related to the targets referred to by Washington.

The leadership of the United States of America still continues to stubbornly accuse Libya without any reason or proof, hoping to poison world opinion and force its allies and henchmen to acknowledge that its cruel action was right. This is shown in the defense and cover up of Washington's crime in the recent UN Security Council session. Nevertheless, they absolutely cannot deceive the world populace. The world populace knows well that the United States is the one that employed aircraft to bomb innocent Libyians, not Libya killing American people. The world also knows that the Washington administration has tried every means to topple the Sandinista government of Nicaragua and it is also the one who has aided and is getting $100 million to the Contra revolutionaries. Worse than that, the United States could care less about urgent requests for the peace the world wants, such as the UN proclamation of 1986 as the year of international peace, and calls to denounce the arms race. The United States not only does not pay any attention to Soviet requests to stop nuclear arms tests and the arms race, but it continues to openly test nuclear arms and also challenge the peace loving world populace. It is just a rude act. The United States' actions in combination with Reagan's announcement not

too long ago are threats to such fully independent and sovereign nations as Nicaragua, Iran and Syria. These actions confirm clearly the endless cruelty of Reagan, the international terrorist. They are real threats to all nations, not only in the Middle East, but also threats to the peace and security of peoples around the world. These serious threats to deeply involve the military and employ violence to solve problems are caused by the Washington administration.

If Reagan, the leader of the Washington adminstration, is constantly and crazily involved in international terrorism, as he has announced he is and as his past actions attest, then the world populace must be urged to increase its surveillance even more and be prepared to bravely destroy the United States' schemes, defeat its obscurantist actions and promptly expose its crimes in order to protect international peace and security and their own peaceful lives.

12597/12795
CSO: 4206/102

'TALK' ON NORTHEAST ETHNICITY, 'SEMI-CHINESE' THAIS, LINKS WITH LAOS

Vientiane PASASON in Lao 28 Apr 86 p 2

[Column: "Bitterness of the Northeast People"]

[Text] Dear Readers, In this column, the writer would like to write about the fate of the people of Northeastern Thailand. The writer will bring up reasons that confirm the plight of the people of the Northeast, with references to various Thai media that talk about the inequalities in Thai society, especially between the so-called Thai or semi-Chinese Thai and the Northeastern Thai. These media include music, Thai radio soap operas, Thai movies and others that mostly reflect the disparities in Thai society which have caused a lot of suffering and bitterness for the Northeastern Thai.

The natives of this land immediately feel very bitter when "Esan" is mentioned. The Esan region is the vastest area and most populated of any part of Thailand. However, in contrast, the budget allocated for development is the smallest for any part. The March issue of "LUAM DAO ESAN," a Thai magazine, appropriately wrote concerning its residents' resentfulness "that...Thai governments of many eras have not known that Esan exists in the country."

The people of the Northeast must make a living in accordance with their environment. Agriculture, especially rice farming, is the primary occupation of the people of Esan and is done as the environment allows. In years when the rains are good, the soil is moist and they can grow rice, with good harvests. In years when no rain falls, the people of Esan have sad faces. The people of Esan live with nature and survive by nature. When they are sick, they die naturally or recover naturally. But in years when the weather is favorable, the harvests are great, such as in past years, but rice prices drop. The government has been urged to solve the price problem but it claims that requests to solve the problems are causing turmoil.

In addition to neglecting the livelihood of the people of Esan, the reactionaries in Thai power circles also have blocked economic growth for the people of this region. A conference of state and private economic organizations for the 17 provinces of the northeast region was held at Khon Kaen at the end of January because of economic pressures stemming from a prohibition on trading the goods that come from the sweat of the people of Esan with the Indochinese countries, especially with Laos. It is claimed that these are strategic goods, but they are actually the agricultural products of the people of Esan.

On the other hand, the reactionaries in Thai power circles instead have remorsely accelerated the development of an arms race policy with the American imperialists, who have poured in huge amounts of capital into the nation. The big news is that the leaders of Thai reactionaries have dedicated Thai soil to be the secondary warehouses for the United States of America, which is counter-productive to the interests of the people of Esan and of the entire nation. This action has increased the turmoil in Thai society and crises in every area.

The people of Esan are at the bottom of Thai society, so they will suffer more than other people, even though they are hard working and struggle so hard to make a living in such an inhospitable environment. The LUAM DAO ESAN magazine article that I cited as a reference concludes with the words of Thai reactionary leaders who say in making excuses for themselves: "...Anyways, saying that the people of Esan are looked down upon as being lazy is only to hide the government's incompetence, lack of interest and negligence and the abandonment of the people of the Northeast. Reality is painful to the people of Esan right now."

12597/12795
CSO: 4206/102

## PAPER NOTES BACKGROUND TO MINERAL EXPLOITATION PACT WITH SRV

Vientiane PASASON in Lao 20 Mar 86 p 3

[Article: "Laos, Vietnam Jointly Exploit Minerals"]

[Text] There are a lot of important factors in developing a country, but in our country minerals are important in helping develop the economy to grow rapidly. Since November 1985, Laos and Vietnam have been cooperating in exploiting minerals. During war time, cadres and experts in the mineral resources of the countries had to struggle side by side to perform this special task. They were able to discover salt, coal and gypsum mines and were able to estimate the volumes of minerals in them. The environment and the weather in combination with destructive enemy air attacks did not defeat the revolutionary spirit of the cadres and workers of the minerals section. They were able to draft a map that shows the locations of a number of mine sites.

After the country was completely liberated, cooperation was expanded further, and a treaty of cooperation in technology for exploiting minerals was signed between Laos and Vietnam. This treaty has promoted cooperation in exploiting minerals and made it very beneficial for each party. The value and volume of gypsum produced in the Kok Hin Keo Mine and the salt produced in mines in Vientiane Province have been estimated.

The important duty facing Lao-Vietnamese mineral exploitation is to research volumes and qualities of the various minerals and to draft a map that shows the location of mines in Vientiane Province. Vietnam is also helping train middle level technicians for Laos and taking many groups of Lao technicians to train in Vietnam.

12597/12795
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## BRIEFS

LUANG PRABANG RICE SALES, TAXES--The farmers of Luang Prabang Province have met their agricultural tax payment obligations to the state earlier than in past years. From the beginning of the year to the present, 3,212 tons of rice have been collected and stored in silos, which represents 80 percent of their agricultural taxes. And the people of all 8 districts of the province also have sold 3,590 tons of rice to the state. [Excerpt] [Vientiane PASASON in Lao 20 Mar 86 pp 1, 4 ] 12597/12795

SRV-AIDED DAM FINISHED--The construction of a small scale hydroelectric dam on the Nam Leu River, Luang Namtha Province, was completed at the end of this March. Construction was started in February 1985 by the Ministry of Defense with the aid of experts from the SRV at a cost of 17 million kip. This dam can generate 15 kW per hour during the dry season and 30-50 kW per hour during the rainy season. It can hold 3 million cubic meters of water in reserve and it can irrigate 12 ha of dry season rice fields. [Text] [Vientiane PASASON in Lao 7 Apr 86 pp 1, 31] 12597/12795

ROUTE 13 ROAD REPAIR--Eighty percent of Route 13 repairs--a total length of 100 km--from Pak-Ou District to Oudomsai District, Luang Prabang Province, have been completed. This is the second time this road has been repaired and the local people in nine cantons are contributing their labor in working with the Road and Bridge Company of Luang Prabang Province. At present, urgent repairs of this road are still under way in order to complete them before the rainy season. [Text] [Vientiane PASASON in Lao 8 Apr 86 p 1] 12597/12795

STATE STORE GOODS ALLOCATIONS--[Store for the Education Section of the Savannakhet Service for State Employees] We have received 18 shipments from trading companies. There are 51 new varieties of goods, including 5 tons of powdered soap, 5 tons of sugar, and 5,000 m of various kinds of fabrics. There also are pots, tires, shirts and blouses, mats, light bulbs, cigarettes and other consumer goods. As for food, there are 47 tons of rice valued at 1,243,080 kip, 1.5 tons of salt, 2,716,719 kilograms of pork, beef and water buffalo meat, 317.6 kilograms of chicken and 295.5 kilograms of fish. On the average, a cadre of the Education Section receives 5 kilograms of meat and 2 kilograms each of sugar and powdered soap monthly. All cadres receive other goods. This writer inquired as to how much revenue the store has generated for the section. Its accountant answered that the section actually invested 1,895,578 kip initially. At present, we have a cash flow of 3,998,381 kip, which means that this figure, minus the investment, are our revenues for the section treasury. [Excerpts] [Vientiane PASASON in Lao 25 Apr 86, pp 2, 4] 12697/12795

CSO: 4206/102

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## U.S. BILL TO INCREASE PHILIPPINE SUGAR ALLOCATION REPORTED

HK230931 Manila MANILA BULLETIN in English 22 May 86 pp 1, 8

/Text/ U.S. Senator John Melcher filed last week a bill which seeks to increase sugar export allocation for the Philippines. This was reported yesterday by a two-man lobby team in Washington to Fred J. Elizalde, chairman of the Sugar Industry Advisory Council (SIAC).

The lobby team is composed of Hortencia Starke and Edgardo Yap.

Melcher, a Democrat from Montana, told the team that the proposed legislation seeks to increase the Philippine share in the U.S. sugar market to US$100 million yearly or about 200,000 metric tons.

Melcher, a member of the Senate Agriculture Committee, said that the increase in Philippine sugar quota would be accomplished by eliminating the quotas for other countries, such as South Africa, Canada and Australia which import sugar for their own needs and export part of their importation to the United States.

Cosponsor of the bill is Hawaii Democrat, Senator Daniel Inouye.

The Washington trip of the two-man lobby team sponsored by the SIAC was a follow-through to an earlier visit made by the staff of Melcher and of the U.S. Senate Agriculture Committee to the province of Negros. The U.S. group visited Negros last month and saw for themselves the impoverishment, hunger, malnutrition, and the deterioration of the health of thousands of Filipinos. All these were caused by the decline of the sugar industry.

Melcher admitted that the reduction of Philippine sugar quota in 1981 had contributed to the economic hardships of the Philippines.

Under the provisions of the U.S. Sugar Import Quota Program as authorized by the U.S. Agricultural and Food Security Act of 1981, total American sugar imports were limited to 1.6 million metric tons distributed among 40 countries friendly to the United States. Philippine allocation is 203,050 metric tons annually, the third largest behind Dominican Republic and Brazil.

A proposal to restore the old Philippine quota of nearly 1 million tons was ruled out by Melcher and other congressional officials as "unrealistic." They said only a partial restoration would serve best the interests of both the Philippines and the United States.

The United States, they said, has to maintain a balancing act in allocating sugar quotas to different countries, taking into consideration its own domestic producers.

/12228
CSO: 4200/1085

PHILIPPINES

## JUSTICE MINISTER CRITICIZES U.S. TREATMENT OF FILIPINOS

BK140239 Manila PNA in English 0157 GMT 14 May 86

/Text/ Manila, 13 May (PNA)--Justice Minister Neptali Gonzales Tuesday asked Foreign Minister Salvador Laurel to protest what he called the brusque overbearing and insulting manner Filipinos applying for visas are treated at the U.S. Embassy here.

In a letter to Laurel, Gonzales cited two cases of Filipinos who were shabbily treated by American Consulate officials.

Gonzales cited the case of Mrs Isabel Galindo Raymundo who left the Philippines for Denver on 28 April 1986.

On her arrival at Seattle, an immigration officer, a certain Mr B.A. King, questioned her, took her handbag, and in a very rude manner asked her to hire a lawyer for a court hearing or to board the next flight back to Manila.

This is not the first time Filipinos are treated in a rude, insulting and demeaning fashion, Gonzales told Laurel.

Another case is that of Mrs Evelyn Aldaba, Gonzales said.

She was asked by a black consul at the U.S. Embassy here why she came with a letter from the Ministry of Justice.

Aldaba claimed Gonzlaes is her godfather.

Gonzales said the consul, not content with the previous insult, told Aldaba: since your godfather is a politician, he may have a thousand godchildren. He may do the same for them. He may recommend all of them.

In his earlier letter to Philip Kaplan of the U.S. Embassy, Gonzales said it is probably too much for me to expect from your consulate the same respect. But any foreigner, be it a public official or private citizen, who insults and demands U.S. rights in our own country should be kicked back to the place he came from, the sooner the better.

Gonzales said that people like him in public life are called upon to intercede and make request and recommendations by their constituents and it is a part of the service they render.

When we write a letter of recommendation, it is what it is and a recommendation nothing more. We do not make any imposition, Gonzales said.

He said while the consultate has all the right to deny or grant such request, the consulate has no right to subject the applicant to insult and indignities.

Gonzales asked Laurel to press for the recall of the black consul and to declare him a persona non grata.

/12228
CSO: 4200/1085

PHILIPPINES

IMMIGRATION COMMISSION FACES CLEANUP, PROBE

HK230941 Manila MANILA BULLETIN in English 22 May 86 pp 1, 18

/Article by E.T. Suarez/

/Text/ Immigration Commissioner Enrique Joaquin has started a massive cleanup of the Commission on Immigration and Deportation (CID) as he ordered a thorough probe into a multimillion-peso racket in the government agency involving the issuance of immigration clearance certificates and re-entry permits of aliens.

Justice Minister Neptali Gonzales, meanwhile, ordered the relief of three military officers appointed by ousted CID Chief Joaquin Chipeco at the intelligence division of the Manila International Airport /MIA/.

Joaquin, barely 2 days in office yesterday, also ordered the relief of an immigration officer detailed at the MIA for allegedly facilitating the departure of a Filipino tourist carrying a tampered passport.

Ordered relieved was Jose Caducio who allegedly escorted passenger Conchito Pulginme through the MIA immigration area and cleared him for boarding a flight for the United States.

Caducio reportedly did not refer the passport to the CID intelligence office allegedly for a P60,000 fee last 7 May. The passenger was deported back to the Philippines after the U.S. immigration officers in San Francisco discovered that his passport was tampered with.

"Had you observed regulation, the defect of the passport could have been discovered by elements of the MIA Immigration detail," Joaquin told Caducio who was given 72 hours to answer the charges against him.

If Caducio's explanation is found unsatisfactory, it could mean his outright dismissal from the service, immigration sources said.

On the relief of three military officers appointed by Chipeco, Joaquin said he will soon appoint their replacements after clearing the matter with the justice minister.

Those ordered relieved by Gonzales were Colonel Iguadad Cunapan, Lieutenant Colonel Ramon Navarro and Captain Alfred Abad.

Joaquin vowed to go after the grafters "who have been giving the CID a bad image regardless of who gets hurt."

Joaquin, 65, took over the CID top post from Chipeco who was reassigned by President Aquino as member of the board of the Manila Hotel. He assumed his office with the directive from the President "to go there and try to improve it."

"I am approaching the problems at CID by not conducting a witch-hunt and finding who among you is a bad guy," Joaquin told immigration employees on his last day in office.

He exhorted the CID officials and employees to work together and cooperate with him in giving the office "a new image, a new reputation." He said that in the next few days, he will institute reforms as a first step of building a new image for the CID.

Before his appointment to the CID top post, Joaquin was the chairman and president of the International Telephone and Telegraph [illegible]nils (ITT). He served the ITT for more than 20 years.

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PHILIPPINES

## FORMER MINISTER OPLE CRITICIZES SEQUESTRATION POLICY

HK231550 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 23 May 86 p 3

/Article by Miguel Genovea/

/Text/ Former Labor Minister Blas Ople said yesterday that the sequestration powers of the Presidential Commission on Good Government /PCGG/ should be coterminus with the revolutionary government.

Speaking at the inaugural "Kapihan" forum at the Asian Institute of Tourism /AIT/ in Quezon City, Ople expressed concern over the "rampaging sequestration powers" of the PCGG which, he said, presumes guilt before innocence in a reversal of a fundamental constitutional principle.

Ople said that while PCGG's charter as a "grand inquisitor" may be consistent with a revolutionary government, it cannot survive the test of a full-fledged, democratic constitution.

Under a constitutional government, Ople said, the PCGG should adhere to its custodial functions as a board of liquidators.

Besides Ople, other guests at the AIT Kapihan, held in conjunction with the Second Graciano Lopez Jaena National Summer Workshop for Community Journalists, were Minister Luis Villafuerte of the Commission on Government Reorganization, and Education and Culture Deputy Minister Art Defensor.

Dean Jose Mananzan, UP /University of the Philippines/ professor in Tourism Management who acted as moderator in the forum, said the AIT Kapihan will henceforth be held regularly.

Taking exception to the claim by Ople, Villafuerte said there is no presumption of guilt in the sequestration process.

What it (sequestration) only means is that there is a strong prima facie evidence and therefore it (PCGG) should take custodial responsibility of the assets concerned at the time," Villafuerte said.

Villafuerte said that owners of sequestered firms can immediately contest this by showing proof to the contrary.

Villafuerte said that the PCGG is only exercising such powers to protect the publi. interest.

He specifically mentioned the University of Life and the Ecotech Corp. which, he said, utilized public funds for firms that were deemed private in character.

"The sequestration was not meant to impede the effective functioning of such agencies, but merely to safeguard the public interest," Villafuerte said.

Ople pointed out that the effects of sequestration have often been self-defeating because in the process sequestered firms "have been stigmatized and subsequently lost their standing with their banks, suppliers, and customers."

Sequestration, Ople said, "is the surest way to kill a business and devalue the very assets the government wanted to protect in the first place."

Ople also described as "dangerous" Solicitor General Sedfrey Ordonez' reported pronouncements that even rights guaranteed under the Constitution could be set aside in favor of "an overriding interest" of the state.

Ople also proposed that in the reorganization of government agencies, public school teachers be considered a category apart from regular civil servants so that the former will be entitled to higher remunerations.

Because of the low salary rates of the teachers, "there is a mass defection of the best teachers to both clerical and overseas jobs that are sometimes beneath their training and dignity," Ople said.

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PHILIPPINES

COLUMNIST QUESTIONS RESURGENCE OF CENSORSHIP

HK231557 Quezon City BUSINESS DAY in English 23 May 86 p 4

/"My Cup of Tea" column by Ninez Cacho-Olivares: "The Start of Media Manipulation?"/

/Text/ The PHILIPPINE TRIBUNE, a new morning daily, reported that media censorship was back, with no less than Information Minister Teodoro Locsin Jr. acting as censor. According to that news report, Mr Locsin "killed" Channel 4's news story on the resignation of Deputy Information Minister Eduardo Zialcita.

As the report went, two calls from the office of Mr Locsin were made to Channel 4 with the message that the separate interviews with Mr Zialcita and Mr Locsin were to be pulled out. Mr Locsin denied this but admitted that he had one of his staffers call the government station with a request for it not to run his interview since, as he claimed, he did not want to talk on the Zialcita incident.

As perhaps many know, the parting of ways between the Information Minister and his deputy was not all sugar and spice. Mr Zialcita was reported to have found that Mr Locsin's ministry is "overcentralized," an allegation which Mr Locsin apparently denied on tape. But one may ask, if the interview carried Mr Locsin's side of the story, why was there a request from the ministry, to delete the interview?

Perhaps Mr Locsin did not order the station to blank out his interview. Perhaps all he really did, when he asked his staffer to make a phone call, was to request the state-run television not to run his interview. But if this were so, Mr Locsin should also have realized that since the station is under the control and supervision of his ministry, "requests" from the Information Ministry would be construed as an order from the boss.

It is not very easy for government employees and appointees to deny an information minister's request. He is, after all, their boss. He can fire them when he feels like doing so, and there are, I suspect, very few government employees who would go against the wishes of their chief. A request from him will generally be taken as an order.

What seems odd, however, is Mr Locsin's reason. He claimed that he wanted his interview deleted because he did not want to talk about his deputy minister's resignation. But if this was his reason, why then did he give the Channel 4 correspondent the interview? Why then was he willing to talk on tape and give his side of the story? Did he change his mind, then, after giving that interview? And by making a phone call to the TV news office, wasn't the information minister unnecessarily interferring with editorial decisions on news content?

I feel that as long as a government agency or ministry is allowed to have its own media, and be allowed to place them under its control and supervision, all pledges of government's noninterference in media will remain just that--pledges.

Governments, whether democratic or otherwise, will somehow always try to manipulate the media, whenever and however they can. Governments always want to look good in the public's eye, and governments always want to sway public opinion in their favor. Moreover, governments have that tendency to hide certain things from the public and when these are unearthed by the media, there will somehow be the usual requests for the media to tone down the stories. In extreme cases, some governments will even bring up "national security" reasons when they tell media to blank out stories.

The Aquino government, at the moment, has very little to fear from the free media. Mrs Aquino still enjoys tremendous popularity and popular support. The media have been, in the main, pretty soft on her and her government. She has, in my view, made several mistakes, but these mistakes have not been blown up by the Philippine media. These mistakes have been, in certain instances, even justified by certain mediamen. Then, too, in the past few months, the media have focused more on the Marcos stories and have not really taken issue with the Aquino government.

But the honeymoon can't go on forever. Sometime in the near future, the government will no longer be able to point the finger at Mr Marcos. The new government will be forced to act on the problems that beset the nation. The new government will no longer be able to say, "Patience, or give me time."

Sometime in the future, if the unemployment problems worsen, if more hungry stomachs cry out for food, if the wheels of justice continue to grind ever so slowly, if graft and corruption are not lessened, if government officials start becoming inaccessible, if the cordon sanitaire grows as problems mount, if scandals rock the new government, what can be expected of the government media by way of information and propaganda?

There will, I suppose, be more and more "requests" to buy a story or blank out a story. The positive will be enhanced and the media that will not see it the government's way, will again perhaps be called "irresponsible" and be branded by government officials as "nattering nabobs of negativism." The media will perhaps be blamed for the many failures of government. If the tourism industry does not pick up, for instance, the blame may be placed again on the media for their "negative" reporting. The media will again be asked to cooperate in rebuilding the nation. Will they be asked once again to become "partners of government?"

The government propaganda machine generally goes into high gear every time adverse publicity is generated. This happens as well in private corporations. And to counteract the adverse publicity, PR men are made to work extra hard to convince the media to come out with glowing, positive reports. More and more will be hidden from the public and image-building will be resorted to.

But I think that, in the long run, citizens will be able to spot government propaganda and get turned off. The moment that happens, they will perhaps start complaining about their tax money going into an office that concentrates on propaganda instead of information.

It will only be a matter of time.

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## COLUMNIST PRAISES AQUINO'S SINCERITY, TOUGHENING

HK270608 Quezon City BUSINESS DAY in English 26 May 86 p 4

/"Here and Now" column by Francisco S. Tatad: "The Real Medium"/

/Text/ By going to Davao and Cebu to hold her first public consultations with the people, President Aquino ended the inertia of her first 90 days and gave the presidency a shot in the arm.

By mingling with those who were not around on EDSA /Epifano de los Santos Avenue/ for the "revolution," she began the process of power consolidation so badly needed to support her most ambitious programs and check those who may want to sow factionalism within her government.

It was the first time she really spoke to the nation about its most serious problems, and what the nation saw was a president ready to face them. She had no ready solutions, but she left no doubt that she was determined to leave no stone unturned in order to find them.

It was her openness that stood out during the consultations, and it is this that will keep the people on her side whether or not she finds immediate solutions. For so long as they find her sincere in what she is doing, they will be more than patient with her inability to come up with immediate solutions.

It was a slightly toughened lady president one saw on the TV screen. She also seemed to have aged a little. But all that only seemed to lend to her transformation. She had become more presidential.

But although she projected well on the screen, and had a tremendous impact in the newspapers, it became obvious during these consultations that her real medium was the people. She was visibly "transfigured" once she was with the people.

The argument in favor of the inexperience of the officers-in-charge /OIC/ was not the best available. A senior Indian journalist thought he heard Rajiv Gandhi speaking. Inexperience is a defect which not even the President can pass off as a qualification. Most of the government's mistakes so far have been mistakes of inexperience.

With respect to the OICs, many have been met with active opposition, not necessarily from the old KBL alone, but also from among the President's own supporters. In some places, they have not been able to sit because of incumbents refusal to vacate their positions. But by speaking for and in behalf of the OICs, the President made it clear that these were her own appointees, and that she was putting her leadership on the line.

This was what the people had long been waiting for. They had been waiting for her to tell them, "This is my man. Whatever his defects, try to support him and work with him." This is probably all that's needed particularly in those areas where her own supporters perceive that the OIC is a choice of Minister Aquilino Pimentel alone.

For so long as an unpopular designation is perceived to have been made by the minister of local governments alone, even the most loyal Aquino supporters feel obliged to oppose it as an unpardonable error. But were they to be told it is the President's choice, most of them are likely to say, "Well, it's not the best possible choice, but it's the President's choice, so let's give it a chance."

With her appeal on behalf of the OICs, the situation could begin to ease, except perhaps in those areas where the conflict has assumed the appearance of war. In those areas, she may have to use stronger means to enforce her designations. But even that might now be less of a problem after she had said that she, and not just Pimentel alone, is behind the designations. The moment her own partisans are seen to completely support all her controversial OIC designations, it should not be too long before the last KBL holdouts fall in line.

For the local governments minister, this development should be a happy one. It should make him less of a bete noir among local politicians, and help to repair his public image which has been considerably soiled by all those controversial OIC designations. But above all, it should help to assure Aquino watchers that the government has finally begun to put its act together.

Of course, removing Pimentel as a shock absorber makes the President extremely vulnerable to the effects of any unpopular or indefensible designations. This situation is not purely hypothetical. But the mere fact that she is willing to expose herself to that risk means that the possibility of making mistakes and of being criticized for them no longer terrifies the President. This is a positive development.

In Cebu, she spoke with much greater clarity than she had ever done before about the need for genuine reconciliation. She weighed the possibility of extending to the military the same amnesty she has given to those who had fought the Marcos government. Given the passion that continues to possess many of the people around her, it took courage to state the principle.

But much of what could happen from now on would depend on whether it remains a principle or becomes a specific course of action.

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PHILIPPINES

## MINISTRY DISMISSES SIX LABOR RELATIONS COMMISSIONERS

HK270626 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 May 86 p 2

/Text/ Six of the nine commissioners representing the labor and management sectors in the National Labor Relations Commission /NLRC/ have been dismissed preparatory to the NLRC's conversion into an "independent" body, the Labor Ministry said Friday.

Ed Araullo, executive assistant to Labor Minister Augusto Sanchez, said the dismissal of the six commissioners was in response to President Aquino's call on Labor Day to "professionalize the dispute settlement machinery and to cleanse it of sectoral interests by appointing men of probity, honesty and integrity."

Dismissed were Miguel Varela, Oleto Villatuya, Geronimo Quadra, Gabriel Gatchalian, Federico Borromeo and Cecilio Seno. The three other commissioners representing the government were retained. _

Araullo said the dismissal should not be misconstrued by some quarters that they were "fired." It is part of the restructuring of the Mole /Ministry of Labor and Employment/ particularly of the NLRC, to abolish sectoral representation and to eliminate corruption in the adjudicatory unit, he said.

Asked when the termination of the six took effect, he said it was "automatic" with the President's declaration last 1 May that sectoral representation in the NLRC would be abolished.

Araullo said the list of replacements for the dismissed commissioners is still being processed, then will be sent to the President, who will appoint the new commissioners.

Legal observers at the Mole said that until the walking papers of the six are served them, they are not considered as terminated. NLRC commissioners and arbiters are presidential appointees.

Striking employees at the NLRC Espana Branch who walked out of their jobs last Tuesday to protest the dismissal of the 21 labor arbiters went back to work Friday after a dialogue with Araullo.

The employees were assured that the revamp effected at Mole would not include the rank and file.

At least 21 of the 31 arbiters at the NLRC branch were dismissed or retired last Tuesday by Labor Deputy Minister Pablito Sanidad purportedly to weed out "undesirables" in the graft-ridden Mole unit.

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PHILIPPINES

## ELEMENTS OF DRAFT CONSTITUTION CONSIDERED

HK280433 Manila MANILA BULLETIN in English 27 May 86 p 6

/Article by Melchor P. Aquino/

/Text/ Different drafts for the new constitution are, quite curiously, circulating. Of these, the most popular among intellectual, professional, and academic circles are those authored by liberal and ultraliberal professors and "progressives" in government.

One particular draft would have the framers of the Constitution adopt the ASEAN formula of "peace, freedom, and equality" as a cardinal tenet of Philippine foreign policy. The same draft would have the Constitution ban foreign military bases.

There undoubtedly will be elements in the Constitutional Commission that will work for the adoption of principles and goals of foreign policy different from those that the republic has observed and pursued since its inception in 1946. One should not regard such a prospect with dismay or concern, for it is in the nature of foreign policy to be exposed to the winds of change. In any event, in such an august body of thinkers, the process of experimental intelligence is bound to prevail over faddist and populist approaches to foreign affairs.

Incidentally, the formula of "peace, freedom, and neutrality" remains an entrancing abstraction in the affairs of ASEAN, it still has to be formally translated by the member nations of ASEAN into a definitive, precise regional policy. The removal of foreign military bases from the Philippines would be a logical and necessary consequence of the incorporation of the principle of "peace, freedom, and neutrality" into the Constitution.

It may be an unwise step to delimit in the Constitution the purview, the parameters, and the thrust of foreign policy. Foreign policy is kinetic; it needs a vast living and working space.

One potent reason the American Constitution has survived the crucible of history is that its framers had the wisdom to provide unlimited range for the marking and conduct of U.S. foreign policy.

The Constitutional Commission is charged with the mission of writing a Philippine Constitution for the ages--indeed, for all time. It should concern itself with principles, values, and matters that bear on the security and the permanent interests of the nation. Those who harbor strong sentiments against the United States as well as those who feel bound to America by ties of friendship and partnership, would be well advised to recall and ponder the injunction of Disraeli, "A nation has no permanent friends. It has no permanent allies. It only has permanent interests." This statement of principle, originally addressed to a great power, applies to all countries, small and big.

It has occurred to us that the Constitutional Commission should perhaps adopt the 1935 Philippine Constitution as a working paper. That Constitution, written within sight of independence, embodies the soul of the Philippine independence movement. In a real and profound sense, the 1935 Constitution is a moving definition of the national purpose as forged on the anvil of our libertarian struggle. It is old but new.

No less than President Franklin Delano Roosevelt hailed the 1935 Constitution as an exponent of the world's mature political thought. Foreign and Filipino scholars have attached special significance to the sophistication of its provisions concerning social and economic matters.

The 1935 Constitution stands for the political, social, and economic system that the Filipino people know best. It is a resounding warning to this and coming generations that departures and digressions from that system, particularly those effected by the Marcos regime, have demonstably been disastrous.

The Filipino people are free. The historical evidence conclusively shows that the Filipino people have to be free. They fought against Spanish rule. They fought against the institution of American administration. They fought against the Japanese occupation. And they overthrew Marcos. The Filipino people assuredly would reject a Constitution keyed to political, social, and economic concepts at variance with, and inimical to, their liberation ideology and free way of life.

We suggest that the members of the Constitutional Commission adapt the 1935 Philippine Constitution to the clamor of the people--and to the security and the permanent interests of the nation.

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## COLUMNIST ASSESSES ENRILE'S POPULARITY

HK271558 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 27 May 86 p 4

/From the "As We See It" column by Teodoro C. Berbano: "Enrile's a Survivor"/

/Text/ There is no denying the popularity of President Aquino. And if her Davao and Cebu sorties were meant to showcase (primarily to the United States and the AFP /Armed Forces of the Philippines/ her rapport with the people, then we must have right now a president at least as popular as Ramon Magsaysay in the 1950's. But why all the frenzied attempts to show the world and to the Filipino himself that the President is well loved and well supported by the people? This probably stems from having key advisers who are, to use the adjective of Defense Minsiter Juan Ponce Enrile, "insecure." Now, if they persist in seeing ghosts where there are none, must we ask ourselves why the popular Aquino government has not yet taken off?

Mrs Aquino herself says she does not understand why local businessmen are still mired in their "wait and see" attitude. What the government probably does not appreciate is that it is asking for investments, not donations. And it is expected that unless and until the climate is rid of economic and political uncertainties--and, yes, insecurities--the businessmen will hedge. It is always presumed that you don't throw good money after bad.

Enrile can hardly hope to win any popularity contest in the Aquino government. They are not only ganging up on him, they are also trying to create a chasm between him and his good friend, General Fidel V. Ramos, AFP chief of staff. And now come the NPA's, who reportedly want the ouster of Enrile and Ramos as a sine quo non condition to ceasefire talks. But what they are forgetting or perhaps trying to gloss over is that Enrile is a survivor. And of course, everybody knows that in any and all accounts, Enrile and Ramos are also heroes of the February revolution. And without these two officials, where would we all be?

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## COLUMN REPORTS ON MARCOS' ALLEGED PAYOFFS TO AMERICANS

HK271036 Quezon City ANG PAHAYAGANG MALAYA in English 21 May 86 p 4

/Column by Renato Constantino: "The Hidden Cronies"/

/Text/ The so-called "crony monopolies" identified with the Marcoses have been on the way out, slowly succumbing even under Marcos to IMF-World Bank pressure and finally swept away by the deluge of Aquino "people power." But the fallen dictator had other "cronies," who had benefitted as much, if not more, from the Marcos Administration. Up to now, however, they have managed to shade themselves from the glare of public wrath because of selective perception if not willful manipulation by the molders of public opinion.

The sins of Benedicto, Eduardo Conjuangco, Cuenca, Velasco, Roman Cruz, Jr, the Disinis and the Romualdezes have already been exposed. Many crony holdings have been sequestered.

To dislodge them, the operative world of the IMF was "privatization." Public corporations which were being manipulated to serve crony interests would have to face the ax, a process long underway before the "snap revolution." Cory's crusade for the boycott of crony products, media and banks shortly before Marcos' fall lent urgency and a popular dimension to a delayed but nevertheless ongoing direction laid down by our foreign creditors.

But only one kind of crony suffered--the homegrown ones. Marcos' biggest cronies, for whom he bartered away national interest and economic sovereignty, were the transnational corporations. Today they are seldom, if ever, mentioned as beneficiaries of the Marcos regime, proof of their highly effective coverup job which used the more visible Filipino cronies and Marcos himself as scapegoats.

It will be recalled that the American Chamber of Commerce welcomed martial law in 1972 as a stabilizing factor for business. For their support, the foreign investors were rewarded with innumerable presidential decrees which granted them extremely generous incentives. The transnational penetration of the agribusiness sector, for example, reached a peak during the Marcos years.

We can enumerate various industry lines monopolized or dominated by foreign interests: they have near monopoly control in the manufacture of motor vehicles, rubber, pharmaceuticals, soap and other washing compounds; they are dominant

in food manufacturing, in petroleum refining, in the production of electrical machinery, appliances and supplies, in the making of paper and paper products, in the field of chemicals and chemical products, and in the supply of office equipment. And through international subcontracting, they control the electronics, garments, and other export-oriented industries. Even our banking sector has been heavily transnationalized. All these translate into handsome profits for foreign business at the expense of the Filipino people.

Why then are these foreign cronies being spared? Worse, why are the bigwigs in the government favoring them?

Why has there been little said about the findings of the Magdiwang task force regarding the attempts of the Marcoses to reinforce their personal friendship with Ronald and Nancy Reagan? Christopher Hitchens in his column in the NATION of 5 April 1986 reprinted his letter to the Solarz committee enclosing the restricted Magdiwang report, a copy of which was also given to the Salonga committee.

There were details of attempts to contribute to the Reagan-Bush campaign as well as to other selected candidates in the 1982 midterm election. The report alleges that large contracts were awarded to Bechtel Corp. by Roman Cruz, Jr for the purpose of "widening avenues of contact between Marcos and former Bechtel executives George Shultz and Caspar Weinberger."

The report further cites that Rolando Capud was ordered to find ways by which "sure" profits could be made for the blind trusts of Reagan and Bush and names the lawyer and investment manager of the two officials. Mention is also made of targets for "sweetheart deals" with Interpublic, a firm close to Senator Laxalt, Kissinger Associates of New York, Judge William Clark, Secretary Donald Regan and others. Should not these American cronies also be included in the investigations by the Salonga committee?

This would surely spark a demand for public hearings on the matter in the United States. Such hearings could explain why these American officials acted the way they did in their dealings with the Marcos Administration, if indeed they were beneficiaries of the Marcos largesse, that is to say, hidden cronies.

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PHILIPPINES

## ARMED FORCES FUNDS 'DIVERTED' DURING MARCOS YEARS

HK231607 Manila THE MANILA EVENING POST in English 22 May 86 p 1

/Article by Ed Malay/

/Excerpt/ Over P1 billion allocated to the Armed Forces of the Philippines (AFP) during the previous administration had been diverted and used for purposes other than for what the funds were appropriated.

A big amount of these funds was appropriated from the so-called intelligence fund which requires no explanation nor liquidation and is spent upon the discretion of military commanders with direct responsibility in the use and disbursements.

Added to the intelligence funds were more than P500 milion of the funds belonging to the AFP Retirement and Separation Benefit System (RSBS) which were invested and are currently locked up in local financing companies which have gone bankrupt as a result of the financial crisis that hit the local economy.

The RSBS is a private fund contributed by members of the military organization and is reserved for the retirement and separation of its members from the military. Unlike other funds managed by the government, the RSBS fund is free from audit by the Central Bank, Commission on Audit, or the Securities and Exchange Commission. The disbursement or investment of funds belonging to RSBS remain the responsibility of the officers managing the fund.

In recent years, the RSBS fund became a rich source of money for small financing companies which borrowed from the RSBS but the collaterals for the amount do not approximate the value of the investments made by RSBS in these companies.

Very reliable sources told THE MANILA EVENING POST that initial reports submitted to the Armed Forces Antigraft Committee which was formed by AFP Chief of Staff General Fidel Ramos to weed out misfits in the military, showed that hundreds of millions of pesos in intelligence funds have been disbursed by the past military hierarchy in this manner.

A colonel attached to the Presidential Security Unit (PSU) was named by certain sources as the power broker who screened most of the supply contracts entered into and approved by the AFP during the Marcos era.

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## CHDF VIEWS INTEGRATION OF 'LOST COMMAND'

HK260802 Manila PHILIPPINE DAILY INQUIRER in English 23 May 86 p 16

/Article by Romi Catuslao/

[Text] Cagayan De Oro City--Members of a notorious armed group in Agusan del Sur during the Marcos regime could be integrated with the Civilian Home Defense Force [CHDF] if they pass the rescreening, Colonel Jesus Hermosa, chief of the Pc-Inp [Philippine Constabulary-Integrated National Police] regional Command 10. [Sentence as published].

Responding to a question during a meeting of the Peace and Order Council of Region 10 here last week, Hermosa insisted that the lost command is not part of the government's paramilitary forces, although it helped in the counter-insurgency campaign.

However, he admitted that the members had become abusive.

Hermosa described the Lost Command as a group formed "for economic purposes."

He added that the group surrendered 18 firearms to his command in San Francisco, Agusan del Sur, where the band is based.

A newly-created Committee on Justice, Peace and Human Rights, headed by Vice Governor Generoso Sansaet, however, tagged the Lost Command as the "number one target for prosecution." Several cases have already been filed against the band.

The Lost Command, which is headed by former Colonel Carlos Lademora, was employed as security guards by the National Development Corp. (NDC)-Guthrie Plantation Inc. (NGPI) in Rosario, Agusan del Sur. In the process of clearing thousands of hectares of land from 1981 to 1983, many cases of human rights violations such as murder, extortion, landgrabbing and arson were attributed to the group.

The British Government, which has shares in the NDC-Guthrie sent two members of Parliament to investigate the allegations. As a result of the findings, the plantation cut its ties with the Lost Command.

Lademora, a native of Iloilo, reputedly owns gold mines in Agusan Sur and Surigao del Norte. He has survived at least one assassination attempt by the New People's Army (NPA).

When Lademora broke away from the armed forces, he brought with him his men to form the core of the Lost Command. Later recruits, however, turned out to be toons from his native place.

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PHILIPPINES

## MISUSE OF BIR FUNDS LINKED TO DEATH OF MARCOS FOE

HK231603 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 23 May 86 pp 1, 7

/Text/ A big portion of BIR /Bureau of Internal Revenue/ intelligence funds was reportedly spent for tracking down the enemies of deposed President Marcos, including former newsman Primitivo Mijares, who fled the country in 1975.

BIR sources said over P400 million was spent for monitoring the activities of Marcos's enemies and critics abroad and for "getting them at all costs."

The amount represents 1 percent of BIR's total tax collections last year.

This surfaced yesterday following a reported admission by a BIR official of his participation in the plot to kill Mijares, a former staffer and columnist of the DAILY EXPRESS, before a group of BIR employees sometime ago.

Two other persons, also BIR officials, have been linked to the alleged conspiracy to kill Mijares. The names of these officials were sent to the Presidential Commission on Human Rights for investigation but were withheld pending the filing of formal charges.

Mijares incurred the ire of the Marcoses when he testified before the U.S. Congress then probing human rights abuses in the Philippines and later published an anti-Marcos book "The Conjugal Partnership."

After the publication of the book, Mijares mysteriously disappeared.

There were reports that Mijares was killed in Guam, while on his way to the Philippines, accompanied by his "captors."

One of the BIR officials reportedly took charge of the finances required in the "operation."

Another report said Mijares was "captured" upon his arrival at the Manila International Airport. He was reportedly incarcerated at Camp Panopio, where he died after several days.

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## SURVEY FINDS LOW SUPPORT FOR MARCOS RETURN

HK207628 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 26 May 86 pp 1, 3

/Text/ Only 9 percent of Metro Manila residents surveyed by the Development Academy of the Philippines /DAP/ last month favored the unconditional return of former President Marcos from exile, while 40 percent did not favor such a return under any circumstances.

The survey results, released by the DAP Saturday, also showed that 28 percent of the respondents would allow the return of the deposed president under certain conditions such as after the lapse of some time, to face prosecution, to live as a private citizen, or for burial.

The adverse reaction of most of the respondents to the reported plan of the former president to return from exile reflected the opinion on the matter earlier expressed by a number of top government leaders, including President Aquino, Vice President Salvador H. Laurel and Justice Minister Neptali Gonzales.

The survey, the third to be conducted by the DAP since the 22-25 February "people power" revolution, was made through random sampling residential telephones in Metro Manila on 12-13 April. It covered 500 Metro Manilans aged 15 years and over.

On the support the military is giving the Aquino government, 62 percent of the Metro Manilans in the survey said the military was sufficiently supportive, while 18 percent did not think so, and 17 percent were uncertain and 3 percent gave no reply.

Interpreting this, the DAP report said "a majority of the respondents think that the Aquino government enjoys a sufficient level of loyalty from the military."

Turning to the threat posed by the communists, the report said the respondents were "almost evenly split on the extent of the threat." A total of 46 percent thought the CPP-NPA threat was great or considerable, while 40 percent thought it was little, very little or not at all.

The DAP findings showed that "the respondents are in a conciliatory mood." Almost three of five of them, according to the survey, believed that a general amnesty would greatly or considerably help the insurgency problem. There was only one out of four who thought that amnesty would help a little, very little or not at all.

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PAPER REPORTS ON RECOVERED MARCOS WEALTH

HK280425 Manila THE NEWS HERALD in English 27 May 86 pp 1, 6

/Article by Vic Sollorano/

/Text/ A total of P1.3 billion has now been recovered from the illgotten wealth amassed by deposed President Marcos and his cronies.

This was reported yesterday by the Presidential Commission on Good Government /PCGG/ as it sequestered four more companies believed to be harboring more of the Marcos hidden wealth.

Two checks worth P66 million were turned over to President Aquino by PCGG Commissioner Mary Concepcion Bautista who said one was for P50 million.

She did not specify the source of the second check for P16 million beyond saying that "this is not the appropriate time to tell the origin of the check."

However, she disclosed that the P50 million check represented dividends from shares of stocks in the Philippine Overseas Telecommunications Corp. and the Eastern Communications Corp. which were sequestered as they were identified as belonging to Mr Marcos.

Last Wednesday, Commissioner Bautista also turned over two checks with a P63 million value to the President.

Aside from the checks, PCGG has recovered P1.1 billion in cash from the Manila Casino and P100 million in bonds from the Cultural Center of the Philippines. Cash and bonds have been turned over to the government.

Other developments:

Ang Tibay Footwear Co. in Caloocan City was sequestered by PCGG and a task force assigned to go over its books. The owner, Francisco Teodoro, was instructed to present in 15 days his side, specially origin of assets and other holdings.

Three more firms owned by Jose Y. Campos, confessed front man for Mr Marcos, were seized. They were JDC Corp., Benedict Investments and Realty Corp., and Clinton Investments Corp. The three firms' 70,441 shares in the Philippine Long Distance Telphone Co. were also sequestered.

PCGG Commissioner Raul Daza said hearings will be held in 2 weeks to determine whether the nation's 1.4 million coconut farmers are indeed owners of the United Coconut Planters Bank and the 33.1 million San Miguel Corp. shares. Such holdings are suspected to actually belong to Mr Marcos and one of his closest cronies, Eduardo M. Cojuangco Jr.

The commission will start today a probe into reported stealing of equipment belonging to the Bataan Shipyard and Engineering Co. Inc., which belonged to Alfredo "Bejo" Romualdez, a Marcos brother-in-law.

Presidents of 17 sequestered companies also belonging to Campos were warned by the commission to strictly follow the writ of sequestration issued to them respectively.

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TRADE MINISTRY SAYS TEXTILE EQUIPMENT OUTDATED, DETERIORATED

HK230937 Quezon City BUSINESS DAY in English 22 May 86 p 2

/Article by Julie C. del Castillo/

/Text/ About 50 percent to 60 percent of existing textile equipment will have to be scrapped if the World Bank approves the revival of the textile industry modernization and rehabilitation program, sources at the Ministry of Trade and Industry (MTI) said.

The sources told BUSINESS DAY that the MTI and Board of Investments (BOI) are now hurrying the completion of an updated study of the rehabilitation of the textile sector (whose implementation had been postponed since 1981 and finally shelved in mid-1985) in preparation for forthcoming talks with the World Bank consultative group.

They said updating the original study is necessary because the World Bank-sponsored project has already been overtaken by a lot of factors that would have made it tenable if it had been implemented a few years ago as scheduled.

Initial results of the updated study indicate that because of the 6-year lapse in the program's implementation, most of the mills' existing equipment have further deteriorated that they can no longer be saved by any rehabilitation effort.

"What could be done is for them to be scrapped totally and replaced with completely new equipment," the sources said, estimating that about 50 percent to 60 percent of the industry's machineries would be affected.

Most of these machineries are more than 30 years old, and include spindles, spinning, weaving and knitting machines.

The sources said that because of the larger capital outlay now needed by the mills to replace these equipment, the original $550 million earmarked by the World Bank for the program in the late 1970's would be insufficient to cover the program. However, they declined to give new estimates.

The program's total cost has also ballooned due to the rise in prices of new equipment by an estimated 12 percent to 15 percent annually, which most of the

31 mills would hardly be able to shoulder because of the industry's poor market performance in the last few years. (The textile industry is currently operating at only about 50 percent to 60 percent its capacity; industry sources said.)

The annual rise in textile machinery prices may be attributed to the continuous upgrading of designs and capabilities by equipment manufacturers worldwide, millers said.

The sources said the MTI is revising the original plan for the textile sector's modernization and rehabilitation program to also include the marketing of locally produced textiles, particularly in the export market.

"The marketing aspect of the study considers the various styles, patterns and composition of fibers that the market now requires. We are trying to look into what types of products will make the Philippines competitive in the world market because we have to maximize the gains that can be had from the modernization program," the sources explained.

Specifically, a major target for modernizing and/or rehabilitating the textile industry is the local garments industry, which imports up to 85 percent of the fabric requirements of the finished apparel it exports.

The program, which was supposed to be administered by the BOI, was shelved by the Marcos government in mid-1985 mainly because prevailing market conditions at that time prevented the mills from undertaking any major capital equipment acquisition.

Trade and Industry Minister Jose S. Concepcion Jr, however, said the program would have to be revived to improve the textile mills' efficiency and upgrade the quality of local fabrics to meet the requirements of the international market.

As originally planned, the $550-million program was scheduled to start in 1981 and end in 1985. However, even at its early stages, the government and the mills failed to iron out some kinds in the program, until the economic crisis in 1983 overtook its implementation.

The government subsequently returned to the World Bank last year some $131 million of an initial loan of $150 million intended to rehabilitate the obsolete mills.

The return of a portion of the loan was mainly prompted by the failure of the mills to use the amount because of the overall poor business and economic conditions in the country.

The industry's lackluster performance in the last few years has substantially weakened the mills' finances and they were hardly in a position to embark on any modernization or rehabilitation program, much less expand their operations.

While a number of textile firms applied for availment of the World Bank loan in the past, most of the applicant companies did not actually take any major step to upgrade their facilities due to market uncertainties.

The unreturned portion of the $150-million initial loan, however, was used by the government to fund a commodity fund facility for the textile sector's raw material requirements.

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CELLOPHIL TIMBER LANDS OFFERED TO NATIVES, BALWEG

HK230929 Quezon City BUSINESS DAY in English 22 May 86 p 13

/Text/ It looks like there's really no hope for Cellophil Resources Corp., the P1.6-billion pulp and paper firm managed by National Development Co. /NDC/, to operate unless government officials can get their acts together.

The Ministry of Natural Resources (MNR) yesterday announced it was offering 99,565 hectares of Cellophil's timber lands to the natives of Abra and Kalinga-Apayao provinces, including rebel priest Conrado Blaweg, "to get them to resettle and live peacefully."

The announcement came a day after the MNR cancelled Cellophil's timber and pulp license that covers the towns of Bunag, Mataranga, and Bangilo in Abra, and Tanduan in Kalinga-Apayao.

On the other hand, NDC, the Ministry of Trade and Industry's /MTI/ investment arm, is selling the Cellophil plant to interested buyers in line with the MTI's divestment program and thrust to privatize industries.

Trade and Industry Minister and NDC Chairman Jose S. Concepcion Jr told BUSINESS DAY that Japanese and Indian investors recently submitted proposals to the MTI for them to buy into Cellophil, mainly to convert its operations from paper manufacture to rayon fiber production.

Concepcion declined to identify the prospective buyers and the amount each offered. But he said a shift of Cellophil operations to rayon fiber production would require massive capital since a retooling of the plant would necessarily mean the scrapping of about 50 percent of existing facilities.

It is not known how the MNR's cancellation of the Cellophil timber and pulp permit, and its decision to offer the timber concession to Balweg and his people, would affect negotiations between the MTI and the prospective foreign investors.

"The takeover of the Cellophil lands by Herminio Disini, a crony of ex-President Marcos, was one of the reasons Fr Balweg turned NPA and rebelled against the government, said MNR Senior Executive Assistant Alfonso P. Policarpio. "We have now removed the problem. We are offering the lands to the natives of Abra and Kalinga-Apayao to get them to resettle and live peacefully."

Policarpio said Balweg and his people could initially form a cooperative and then operate the Cellophil concession area as a cooperative venture.

Natural Resources Minister Ernesto M. Maceda said that under the MNR's plan, the Cellophil area would be opened to local residents "if they are willing to handle the concession."

"I am for giving back the land to the people of the area," Maceda said, citing that the cancellation of Cellophil's timber permit the other day was based on the "legitimate gripes" of residents in Abra and Kalinga-Apayao against the "misuse" of the land Cellophil occupies.

The offer to Balweg recalls the former government's deals with former Muslim rebel leaders who were given logging concessions in exchange for their surrender.

Lacking the necessary financial resources and management knowhow, however, the former Muslim rebel leaders assigned management contracts for the operation of their concessions to other logging operators in exchange for royalties.

Trouble brewed when military personnel who facilitated the assignment of the management contracts allegedly started "collecting their dues."

The MTI faces a tough task in trying to convince prospective investors to put their funds in a project if its source of basic raw materials comes from an area controlled by insurgents.

Prospective investors would also have to spend much more than the price of Cellophil's facilities and the cost retooling because the Cellophil concession area lacks the necessary infrastructure, former officials of the Herdis group said.

"It seemed Cellophil was never really intended to operate as a paper plant, because there's really no money in paper production," a former Herdis' executive told BUSINESS DAY. "It was just some kind of a front for Herdis' logging activities because it is in logging where you can really get the money."

This notwithstanding, Cellophil failed to construct roads and provide the transport vehicles for its operations and relied only on existing small roads and rivers to support its logging operations, he added.

Cellophil succeeded in producing pulp which it sold to producers of paper and paper products.

The Marcos government allowed Cellophil to export logs until 1985, with an annual quota of about 100,000 cubic meters, despite the log export ban imposed in May 1982.

However, Cellophil failed to fully take advantage of its log export authority and shipped only small portions of its export quota.

Despite its setbacks in log exports, however, Cellophil was bent on continuing with logging operations because this activity guaranteed revenues more than its pulping operations could, the sources said.

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## BANKS LOWER LENDING RATES TO AFFECT LOAN SITUATION

HK231555 Quezon City BUSINESS DAY in English 23 May 86 p 3

/Article by Conrado R. Banal III/

/Text/ Seven big commercial banks, in an informal meeting of their top executives, have agreed to drop their lending rates in an apparent attempt to force other banks to follow suit.

The agreement indicates that, in the opinion of these banks, the measures taken by the government and Central Bank /CB/ to lower loan rates may take some time.

The CB at the moment is trying to influence interest rates through its open market operations, such as by reducing its interest payments on government IOUs and for its other borrowing windows.

But bankers want some major changes in banking rules that add to the costs of banks, which in turn increase their lending rates.

While the CB has been saying that it plans to change such banking rules, time is becoming a critical factor in the banking system's desire to lend out money, bankers said.

The depressed demand for loans is denying banks their traditional source of income interest earnings.

The seven banks are therefore taking it upon themselves to effect an industry-wide reduction in loan rates, apparently hoping that cheaper loans would stimulate business activities.

At the moment, banks are awashed with cash or near-cash assets such as placements in government IOUs. Sources in the CB disclosed that outstanding CB bills and Treasury bills, a big portion of which banks hold, amount to more than P82 billion at present.

While banks realize profits from government IOU placements because of the tax withheld from such IOUs' interest earnings, banks are in effect paying more taxes. They cannot deduct expenses from their government IOU interest earnings for purpose of tax computations.

In contrast, earnings from loans are subject /words indistinct/ taxes. To arrive at a bank's taxable income, its expenses are deducted from its interest earnings.

The seven banks began cutting their lending rates Wednesday. A BUSINESS DAY survey showed that their prime rates--the lowest rates given to preferred clients--are now at 16 percent a year, from 17 percent the other day.

The two American banks with branches here--Citibank N.A. and Bank of America--have also cut their interest rates for savings deposit.

Bankers said a similar drop in savings deposits of local banks will automatically follow the drop in bank lending rates which the initiative of the seven big banks may accomplish.

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## PERTH INTERESTS BUYING PHILIPPINE HOLDINGS IN AUSTRALIA

HK231554 Quezon City BUSINESS DAY in English 23 May 86 p 8

/Article by Michael D. Marasigan/

/Text/ One of two pastoral leases in Australia partly financed by Philbai International Pty. Ltd., a Philippine Government corporation in Australia, is being sold to Perth interests, according to a report published in Sydney.

The AUSTRALIAN FINANCIAL REVIEW said "parties associated with the leases, including their Australian joint owner, Mr Mike Nicholas...confirmed that the Sabido family of Manila had been the original 50 percent owner of the two leases together covering nearly 300,000 hectares in the Kimberleys.

"The parties also said that one of the leases, for the Nerimah Downs property, was being sold to Perth interests."

Asked for comment, an official of the Ministry of Agriculture and Food said, "I don't think they can do that."

Agriculture and Food Minister Ramon Mitra, when informed about the ongoing transaction in Australia, said the Philippine Government can take legal steps to prevent the sale of the pastoral lease.

Philbai is one of several corporations that form a "meat cartel" established by the Marcos Administration. It was organized under a presidential executive order issued in 1979, using funds of the Bureau of Animal Industry (BAI), to monopolize Philippine imports of meat and cattle for breeding or slaughter.

Creation of the cartel allegedly was engineered by the late Roberto Sabido.

The Ministry of Agriculture and Food last month sent a team, headed by Assistant Secretary Dante Barbosa, to Australia to take control of Philbai. The team's job was to isolate and repatriate whatever funds would be due the Philippine Government.

Barbosa's group found out that Philbai lent $400,000 to the Sabido family to gain 50 percent control of Fitzroy Valley Pastoral Co. which acquired pastoral leases in Jubilee Downs and Nerimah Downs, both 2,000 miles away from Sydney.

According to Barbosa's report after his return from Australia, the loans were duly secured and "we believe that we have the first lien."

However, according to the FINANCIAL REVIEW report, the sale of one of the leases, Nerimah Downs, "had been under negotiation" for some time.

The newspaper report added that Linded Prowse, whose Lexuso Pty. Ltd. owns 10 percent of Philbai, said the sale of Nerimah Downs was expected to be approved by the Western Australia Lands Department in a few days. The report was published 14 May.

Barbosa told BUSINESS DAY his group had no knowledge such a sale was under way, but he added "we have instructed our lawyers in Australia to take all the necessary (legal) steps to block the sale."

The pastoral holding company, Fitzroy Valley was set up in 1980 by Roberto Sabido and Mike Nicholas, who was quoted by the FINANCIAL REVIEW as saying that the Philbai loan to finance Sabido's 50 percent interest in the company was an arrangement he did "not particularly approve of."

At the peak of the pastoral leases' operations, the joint venture had about 12,000 head of cattle. Fitzroy and Philbai reportedly ventured into an experiment to develop crossbred cattle on the pastoral leases for export to the Philippines.

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PHILIPPINES

## 'ECONOMIC INDICATOR' REPORTS ON AVERAGE EARNINGS INDEX

HK231558 Quezon City BUSINESS DAY in English 23 May 86 p 6

/"Economic Indicator" column: "Average Earnings Index Up 13.62 Percent in February"/

/Text/ Despite the unfavorable labor situation, earnings of employees in the manufacturing sector improved last February as indicated by the 13.62 percent rise in the index of average earnings in the sector, data from the National Economic and Development Authority (NEDA) showed.

The index, using 1985 as base year, stood at 102.6 index points last February, up from 90.3 index points for the same period last year. According to NEDA, almost all manufacturing sectors registered increases in their average earnings indices. Only the beverages and chemicals and chemical products subsectors recorded declines.

In absolute terms, the average earnings in the manuafacturing sectors was P2,052 last February, up from P1,806 last year.

The index is a gauge used to measure changes in the average earnings of labor. It is computed in terms of how much compensation each worker receives.

Compensation-per-worker is determined through monthly surveys conducted by NEDA covering selected manufacturing firms. For February, the survey covered 413 firms, the majority of which belong to the top 500 manufacturing enterprises. These firms had a total labor force of 421,000 and the corresponding payroll for the period was P8,307 million.

The different sectors monitored by NEDA included food, tobacco, textile, wood, paper, rubber, petroleum, basic metals and transport. Among these, petroleum products registered the biggest increase in its average earnings index from 76.3 index points to 185 index points.

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## Index of Average Earnings of Employees of Key Manufacturing Enterprises, by Industry
February 1985-February 1986
(1985 equal to 100)

| | 1985 | | | | | | | | | | | 1986 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb |
| all sectors | 90.3 | 94.9 | 92.7 | 99.4 | 98.3 | 100.6 | 101.1 | 102.1 | 102.4 | 108.2 | 122.0 | 106.3 | 102.6 |
| food | 90.5 | 93.0 | 95.8 | 105.5 | 98.2 | 98.9 | 95.9 | 101.3 | 100.8 | 101.6 | 115.4 | 100.1 | 98.5 |
| beverage | 97.0 | 103.0 | 99.1 | 100.6 | 103.4 | 101.0 | 95.7 | 98.7 | 93.7 | 93.9 | 113.7 | 94.3 | 80.8 |
| tobacco | 86.9 | 89.5 | 87.6 | 109.0 | 93.1 | 102.8 | 95.5 | 90.7 | 106.4 | 96.2 | 160.3 | 85.6 | 96.2 |
| textile | 93.5 | 96.8 | 89.0 | 98.7 | 96.7 | 106.7 | 100.1 | 101.5 | 100.9 | 106.3 | 118.5 | 114.0 | 114.5 |
| wearing apparel | 87.4 | 93.2 | 101.5 | 108.0 | 96.5 | 102.1 | 98.2 | 97.4 | 103.8 | 102.0 | 121.2 | 117.2 | 102.3 |
| wood & wood prod. | 84.2 | 906. | 88.6 | 90.2 | 87.8 | 93.6 | 105.2 | 120.7 | 127.4 | 154.4 | 120.6 | 94.4 | 119.7 |
| paper & paper prod. | 88.6 | 96.0 | 95.1 | 95.3 | 99.3 | 100.4 | 100.3 | 96.5 | 104.3 | 99.7 | 134.6 | 97.3 | 100.1 |
| chem. & chem. | 89.4 | 94.7 | 91.1 | 101.9 | 103.1 | 100.1 | 92.3 | 92.3 | 90.3 | 118.8 | 137.4 | 107.1 | 87.2 |
| rubber products | 91.2 | 92.0 | 102.6 | 91.4 | 95.3 | 99.3 | 106.9 | 103.4 | 106.9 | 102.8 | 118.2 | 115.5 | 91.8 |
| petroleum products | 76.3 | 77.0 | 79.6 | 110.8 | 99.8 | 98.2 | 85.1 | 84.1 | 113.5 | 125.5 | 173.4 | 211.5 | 185.0 |
| nonmetallic min prod. | 94.3 | 100.1 | 98.6 | 98.6 | 108.0 | 98.0 | 115.7 | 104.7 | 102.0 | 97.4 | 121.2 | 112.8 | 120.3 |
| basic metals | 90.3 | 94.4 | 86.8 | 96.9 | 99.2 | 98.0 | 115.7 | 104.7 | 102.0 | 97.4 | 121.2 | 112.8 | 120.3 |
| transport eqpt. | 90.5 | 95.0 | 79.6 | 85.7 | 114.7 | 114.8 | 114.0 | 110.2 | 98.5 | 100.5 | 99.8 | 99.8 | 100.1 |
| electrial machinery | 99.4 | 100.7 | 94.0 | 102.1 | 89.7 | 96.9 | 116.2 | 121.0 | 100.2 | 107.2 | 102.3 | 109.2 | 129.8 |
| miscellaneous | 94.2 | 137.4 | 77.4 | 66.6 | 93.4 | 108.6 | 141.4 | 84.8 | 101.2 | 97.9 | 77.0 | 94.0 | 89.8 |

Source: Statistical Coordination Office, National Economic and Development Authority

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'ECONOMIC INDICATOR' COLUMN VIEWS CENTRAL BANK LENDING

HK270622 Quezon City BUSINESS DAY in English 26 May 86 p 2

/"Economic Indicator" column: "CB Lendings Increase 16 Percent in January"/

/Text/ Loans granted by the Central Bank /CB/ to the national government and banking institutions went up 16.34 percent as of January compared to the level recorded in the same month last year. Including loans made to nonbanks with quasi-banking functions, total CB lendings expanded 15.79 percent to P8,682.7 million as of January from P7,498.7 million last year.

Figures taken from the CB showed that the banking sector borrowed the bulk of the loans, accounting for P5,636.1 million or 64.91 percent of the total. This, however, marked a decline of 12.26 percent from last year's P6,423.9 million.

Among the different banking institutions, only commercial banks increased their borrowings by 40.81 percent to P4,246.2 million from P3,015.6 million. Thrift banks, on the contrary, borrowed the least at P0.7 million, down 99.26 percent from P94.9 million last year. Likewise, loans to nonbanks with quasi-banking functions fell 95.91 percent to P1.5 million.

Loan availments of the government, which accounted for 35.07 percent of total loans granted, ballooned 193.33 percent to P3,045.1 million from P1,028.1 million last year. Of this amount, P1,500 million was extended to the national government for budgetary purposes compared to nothing in 1984. Loans earmarked for nonbudgetary purposes amounted to P1,490.9 million. Local and semigovernment entities also availed of loans amounting to P54.2 million, a hefty rise of 642.47 percent from P7.3 million in 1984.

The rise in CB loans to the government sector was due to the need to finance the Kilusang Bagong Lipunan (KBL) campaign during the February elections.

However, former prime minister Cesar Virata explained that government spending is usually heavy during the early part of the year or the summer months as it undertakes various infrastructure and construction projects. Spending, he said, becomes lighter during the rainy season when the implementation of infrastructure projects slows down.

Loans Granted by the Central Bank
As of January 1985 and 1986
(In million pesos)

| | 1986 | 1987 |
|---|---|---|
| Total | 8682.7 | 7498.7 |
| Government | 3045.1 | 1038.1 |
| National Government-budgetary | 1500.0 | -- |
| National Government--others | 1490.9 | 1030.8 |
| Local and Semigovernment Entities | 54.2 | 7.3 |
| Banks | 5636.1 | 6423.9 |
| Specialized Government Banks | 1357.2 | 3280.5 |
| Thrift Banks | 0.7 | 94.9 |
| Rural Banks | 32.0 | 32.9 |
| Commercial Banks | 4246.2 | 3015.6 |
| Nonbank with Quasi-banking Functions | 1.5 | 36.7 |

Source: Central Bank

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PHILIPPINES

## LABOR MINISTER BLAMES SLOW INVESTMENT ON INSTABILITY

HK270634 Manila MANILA BULLETIN in English 26 May 86 pp 1, 23

/Article by Romeo Chan/

/Text/ Davao city--Labor Minister Augusto S. Sanchez has blamed the government's "instability" for the lukewarm response of entrepreneurs in investing fresh capital in the Philippines.

In talks with newsmen during the "Meet the People" conference with President Aquino and her Cabinet yesterday, Sanchez said it was not his labor policies that have driven away investors but the instability of the government.

He, however, did not explain why the government has remained unstable.

Sanchez denied allegations made by former Lanao del Sur Governor Ali Dimaporo that he was one of four Aquino Cabinet members who was a communist.

"I would like to know when I became a communist," he said. "I would like Dimaporo to explain why he branded me a communist."

He said Dimaporo was not the first person to call him a communist in public. "President Marcos also called me a communist," he said.

Sanchez denied he was dressed down by President Aquino for his prolabor statements. He said he believes labor and capital can work harmoniously by sharing profits.

"Profitsharing is not a leftist idea," he stressed. "It is practiced all over Europe. It is practiced in the Philippines."

He cited S.C. Johnson, a multinational corporation, as one of the firms which have been practicing profitsharing here. The company has not experienced any strike since 1956, he noted.

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GOVERNMENT 'SOURCES' EXPECT 'HUGE REDUCTION' IN REVENUES

HK280421 Manila MANILA BULLETIN in English 27 May 86 p 13

/Article by Juanito C. Concepcion/

/Text/ The government faces this year a huge reduction in its revenues amounting to close to P3 billion as a result of the recent oil price reduction and the temporary suspension of the Societe Generale de Surveillance /SGS/ contract with the government to inspect the country's imported goods against undervaluation, reliable sources in government disclosed yesterday.

The expected huge drop in revenue collections this year is likely to further aggravate the government's problem on how to trim down this year's projected budget deficit to a manageable level, sources said.

The government has been hoping to trim down to between P22 to P25 billion this year's deficit arising from projected expenditures of some P105 billion as against revenue collections of some P85 billion.

These projections, however, are expected to be fouled up by the anticipated drop in government revenues this year. Sources said the government is now going over a "shop list" of revenue-generating proposals to cover up the anticipated drop in revenues arising from the oil price reduction and the temporary suspension of the SGS contract.

An official who declined identification said the average 50-centavo-per-liter oil price reduction granted by the government last week will slash government revenues by some P2 billion during a 6-month period from June until the end of this year.

On an annualized basis or a 12-month period starting June, the government stands to lose some P4 billion in revenues because of the reduction in oil prices, he said.

Another government source said the government stands to lose some P800 million in additional customs revenue collections due to the recent suspension of the SGS contract with the government.

An additional P800 million in customs revenues were expected from the SGS contract to check undervaluation and misdeclaration of taxes on imported goods from nine Southeast Asian countries, the source said. The SGS contract with the government was temporarily stopped by the Intermediate Appellate Court.

Government officials had said that the projected deficit this year will be financed by a combination of domestic and foreign borrowings.

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PHILIPPINES

## AGRARIAN REFORM MINISTER SAYS LAND BANK NEEDS P20 BILLION

HK271613 Manila THE NEW PHILIPPINES DAILY EXPRESS in English 27 May 86 p 9

/Article by Jake Espino/

/Text/ Agrarian Reform Minister Heherson Alvarez has asked the government to raise the capitalization of Land Bank of the Philippines (LB) from P3.2 billion to P20 billion to perform its function of financing the land reform program.

Alvarez has noted that LB's present capital is too small to enable it to finance a "big project, like agrarian reform."

Besides, the agrarian reform minister said that only 10 percent of the bank's capital was used for agrarian reform-related projects with the bulk going into its commercial banking function.

The same sentiment was expressed by Ernesto Ordonez, chairman of the agrarian reform, agriculture and natural resources task force of the Presidential Commission on Reorganization, in a study he conducted on LB's past performance when he cited LB's financial position as one of its major defects.

Ordonez, who batted also for the reorganization of the state bank, noted that while LB made money with its commercial banking function, it nevertheless failed to deliver in so far as its agrarian reform financing is concerned.

He traced this to the bank's lack of coordination with the Ministry of Agrarian Reform and other government agencies in the implementation of the agrarian reform program.

Coupled with this is the lack of active involvement of the bank in the policy-making process at the national level on matters affecting agrarian reform.

This could be gleaned from the nonmembership in the Land Bank board of the minister of the agriculture and food, resulting in the absence of emphasis in agricultural development.

Apart from capital inadequacy, Ordonex noted a seeming lack of sincerity and support given to the agrarian reform program by the previous administration viewed in the light of the absence of committed visionary and innovative management team to chart the overall direction of the Land Bank.

As pointed out by Minister Alvarez, the Marcos Administration had no "political will" to make agrarian reform a successful program.

The task force also said that the value and manner of giving compensation to the landowners are not fair because they do not get the true value of their land and that they cannot convert their bonds into cash except at a very low price.

To correct these defects, the task force recommended the following:

--The reorganization of the LB board and management with the appointment of honest and dedicated men who understand agrarian reform and who will put more importance to the bank's social mission rather than making profits.

--An increase in the interest yields of LB bonds.

--A review on the bank's policy on land compensation to make the valuation of properties covered by the program, and manner of compensation, fair and equitable.

--The simplication of procedures in the availment by farmers of LB loans.

--The decentralization of LB's processing of land transfers claims and the distribution of titles.

--The inclusion of the agriculture and food minister in the LB board to give farmers a voice in the bank's agricultural productivity program.

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## PCGR RECOMMENDS ABOLITION OF 129 CORPORATIONS

HK280423 Quezon City BUSINESS DAY in English 27 May 86 p 2

/"The Economy" column by Ibarra C. Gutierrez: "Abolition of 129 State Firms Eyed"/

/Text/ The Presidential Commission on Government Reorganization /PCGR/ recommended to President Corazon Aquino the abolition of 129 nonfinancial government corporations, Minister Luis Villafuerte, commission head, said yesterday.

At present, there are 248 government-owned and -controlled corporations.

Villafuerte alsc said the PCGR has recommended the abolition of the Ministry of Human Settlements, and the 35 agencies under it which will be sold to the private sector.

Villafuerte also said the PCGR has recommended the abolition of the Ministry of Human Settlements, and the 35 agencies under it which will be sold to the private sector.

Villafuerte in a talk with newsmen at the coffee shop of the Manila Hotel, also said some government-owned banks will be sold back to the private sector while some will be merged or consolidated.

According to him, "major government banks will be consolidated and the others privatized."

At present, there are 34 government financial institutions including banks.

The main criterion for the bank's divestment is if whether or not the institution will help the development functions of the government. If it does, it will be retained. However, if it is concerned purely with commercial banking, it will be privatized, Villafuerte explained.

Under the divestment and privatization program, "all government hotels must be sold to the private sector, including Manila Hotel," he said.

Some government hotels are Hyatt Regency, the foreclosed Mirador and Tradewinds hotels and many others located all over the country.

On the Human Settlements Ministry reorganization plan, Villafuerte said only five agencies under it will be retained, namely, Home Financing Corp., Human Settlements Regulatory Commission, National Home Mortgage Fund Corp., Pag-IBIG Fund and the National Housing Authority.

All others will be privatized, Villafuerte stressed.

"Cooperation between the government and the private sector is the pattern in housing development throughout the world," he said.

He disclosed that the government will make available some 3,000 hectares of land in Metro Manila for low-cost housing with the private sector playing a major role.

Roughly, he said, under this plan, a low-salaried employee will be given a 35-square-meter lot with a 25-meter floor area house, costing P8,7000 per unit. The monthly amortization will be P70 for a long-term period of 25 or even 50 years.

Under this scheme, the private sector will undertake the construction of the unit but the zoning and other services will be handled by the government.

Sources of financing will be the Pag-IBIG Fund, direct budget allocation and the Home Financing Corp.

The government will be actively involved by supporting a "secondary mortgage market" and enlisting private banks and insurance companies to cooperate, Villafuerte said.

Villafuerte also said that under serious study is the plan to semiprivatize the Philippine National Oil Co. Under the plan, the majority share will be held by the private sector and the minority retained by the government.

Villafuerte said the divestment and privatization program of the government "will not be for tomorrow but for 5 and even more years."

He said that some of the government corporations lined up for abolition are Human Settlements Development Corp., National Agro-Industrial Corp., Agro-Commercial Livestock Corp., Inc., Inca Development Corp., Kaunlaran Food Corp., San Carlos Fruit Corp., National Housing Corp., Philippine Fruit and Vegetable and Industries, Inc., Maunlad Savings and Loan Association, Meat Packaging Corp., of the Philippines, Gasifier Equipment Corp., Hotel Development Corp., Philippine Technology Corp., Wood-waste Utilization Corp., Basin Dredging Corp. of the Philippines, Mindanao Textile Corp., National Rayon Corp. of the Philippines and Philippine Resources Helicopter Corp.

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PHILIPPINES

## GOOD GOVERNMENT CANDIDATES WIN MINING COMPANY BOARD SLOTS

HK280544 Hong Kong AFP in English 0513 GMT 28 May 86

/Text/ Manila, 28 May (AFP)--The government Tuesday said it had acquired four seats on the board of the Philippines' largest mining concern after the ousting of four directors believed to be fronting for a relative of former President Ferdinand Marcos.

During an annual stockholders meeting of Benguet Corp. Monday, four directors believed to be front men for Mr Marcos' brother-in-law Benjamin Romualdez, were unseated and four government proxies were elected, a government spokesman said.

The four were nominated by the Presidential Commission on Good Government (PCGG) which earlier sequestered 16.2 million shares represented by the ousted directors, Dodgit Ozabel, a spokesman for the panel, told AGENCE FRANCE-PRESSE.

The PCGG is probing the wealth of Mr Marcos and his associates, estimated at more than 5 billion dollars, which the panel believes was acquired illegally during Mr Marcos' 20-year rule.

Mr Ozabel said that the sequestered shares represented 48.7 percent of the 33.3 million shares available in the corporation--which mines principally gold and copper--and entitled the commission to six board seats.

He added that two other directors were already in place.

The ousted directors were former Development Bank of the Philippines chief Cesar Zalamea, former Manila Electric Co. President Mariano Camacho, International Corporate Bank President Jovencio Cinco and Philippine Commercial International Bank President Antonio Ozaeta.

They represented Benguet shares in the name of Palm Avenue Realty Corp. and Palm Avenue Holding Corp., earlier identified by the PCGG to be owned by Mr Romualdez, the spokesman said.

The takeover coincided with an announcement that the PCGG would also acquire six seats on the board of San Miguel Corp., the country's largest manufacturing concern, after the commission froze 58 million of the company's total 105 million shares.

The frozen shares are said to be mostly owned by Marcos associate Eduardo Cojuangco who was chairman of the board of the beer-based multinational.

The PCGG has sequestered parts of or the total assets of at least 180 Philippine firms.

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PHILIPPINES

## FRG DAILY ANALYZES RESOURCES, VULNERABILITY OF NPA

Frankfurt/Main FRANKFURTER ALLGEMEINE in German 30 Apr 86 p 12

[Article by Thomas Ross: "Still a Long Way to the Revolution: Strength of Philippine Communists Is Hard To Estimate"]

[Text] It is not the strength of the communists in the Philippines, but rather their weakness, that is surprising, when we consider the extreme polarization of rich and poor, the concentration of power and landholding in a few families, the misery and robber-baron treatment of the agricultural laborers. At one point the strength of the New People's Army (NPA), the communists' combat arm, may be given as 20,000, at another as 12,000; but these are horseback estimates, just as vague as the information on the communists' political and military leadership. The new-old defense minister, Juan Ponce Enrile once made fun of the inexperienced Americans who called themselves experts but had no notion of actual conditions, and on whose figure of 20,000 NPA combatants Senate and secret agencies in Washington were relying. He himself put their strength at from six to eight thousand men. That was in November 1984. The power relationships have not changed fundamentally since then. Doubts are in order, however, as to Enrile's figures as well, since he had an interest in portraying the NPA as being as weak as possible.

Of course the vagueness of the strength estimates stems from the nature of the NPA, which is composed of broadly autonomous combat groups distributed over the multitudinous bits and pieces of the island nation and communicating with one another only slowly and with difficulty. It is uncertain whether there is a central headquarters exercising undisputed command over the entire Philippines. In addition, many--and probably most--of the NPA fighters are not communists but rather dissatisfied young men, and women too, guided by the most varied motives, so that their numbers and their degree of participation fluctuate.

The communists and the New People's Army receive no support--financial, political, or military--from without; the only support that occasionally falls to them consists of money remittances, and perhaps a few weapons, sent by friends abroad. Philippine military men and politicians are agreed on this assessment. The New People's Army is strongest on the main island of Luzon (where communism possesses a certain tradition and where the organization of workers by socialist revolutionaries goes back the furthest), on the second-biggest island, Mindanao, and finally on the sugar island of Negros, where conditions prevail that cry out for the pen of a Charles Dickens.

Communism came to the Philippines from China and Indonesia (then the Netherlands East Indies) in the twenties. In 1930, labor leaders in Tondo, an impoverished area of Manila, founded the Philippine Communist Party (PCP). It remained, however, a modest political wallflower up to the war and the postwar period, when the number of communist guerrillas in central Luzon, calling themselves "Huks," grew to 10,000. The insurrection lasted from 1948 to 1953 and was finally put down by the army, then really tiny (measured by today's strength). Even before that, the communists had been hit by "splinter fever." One group even came to terms with President Marcos: armed struggle was abandoned. In 1968, on the day after Christmas, Jose Maria Sison (a sought-after star on television and at clubby gatherings in Manila since his release by President Aquino in early March) and ten young people founded the new Communist Party (CPP). There followed, on 29 March 1969, the formation of the New People's Army, of which Bernabe Buscayno, alias Kumander Dante, a Huk leader who had falled out with his chiefs, became commander (and he too was released from detention this March). It is not known how much respect and authority Sison and Buscayno still enjoy today among Philippine communists and in the New People's Army.

The communists did not participate in the movement to overthrow Marcos, and this cost them credit with the population. In the first weeks of exuberant feeling after the expulsion of the old patriarch, many Filipinos believed in an armistice and final peace with the NPA, but this hope was delusive: rather, fear of an extension of the violence is spreading.

Just as exaggerated as the hopes for an end of the guerrilla war and for a political integration of the communists, however, are the fears of a revolution and of such a growth of communist strength as might enable them, as for example in neighboring Indonesia in 1965, to attempt a seizure of power.

Up to the present the CPP has proven rigid, dogmatic and immobile. The most recent example was its call for a boycott of the February presidential elections and its non-participation in the popular movement against Marcos in Manila (which was of course led by the bourgeoisie and the church). In the opinion of the Jesuit Jose Blanco, an experienced authority on communism in Sukarno's Indonesia as well, the communists have taken no account of the specific characteristics of the Filipinos. Class enmity, class hatred and envy are alien to them, he feels, and thus people of every stratum moved together arm in arm in the days of the "February revolution." The feudal mentality has deep roots among the Filipinos. Domestic servants consider themselves part of the family, and a certain amount of subservience and unresisting adaptation to the social pecking order seems to have become a kind of second nature.

For the communists to seize power in the Philippines, at least by their own efforts, their leaders would likely have to learn a great deal more, to develop an ideology and a strategy better adapted to conditions, and (infinitely more difficult) to smash the inherited Malay value and culture pattern.

The Filipino feels loyalty to his family and his friends, he lacks a sense of community: he identifies with the milieu in which he lives and which he

experiences daily. He has little use for abstract relationships; to a class, to society, or even to the nation (all more or less impalpable to the senses). One of his basic guiding values is "pakikisama," a sense of the need for getting along with one another. Another is "utang na loob," the reciprocity of duties between subordinates and superiors, roughly translatable as "I owe you gratitude," or "You have tied my hands." Coupled with a family loyalty that dominates everything, such behavioural norms baulk at an ideology that demands identification with class and party. Social evils, misery and injustice touch the Filipino only insofar as family members and friends are affected by them. Because he has little confidence in impersonal authority--such as laws and public institutions--he readily places himself under the protection of a strong and powerful personality, to whom he submits without resistance.

It thus appears that, at least for years yet, if not for decades, limits are set for the communists that bar their seizure of power in the country. This in no way means that the New People's Army could not grow further or that bloody social unrest might not shake the Philippines. On the contrary, it will come to that if the government is neither desirous nor capable of putting through a more just distribution of land-ownership, after thorough social and economic reforms. Of this, however, there are as yet no indications.

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PHILIPPINES

## EDITORIAL CRITICIZES AQUINO'S 'INDECISION' ON INSURGENTS

HK240822 Davao City THE DAILY SAN PEDRO EXPRESS in English 8 May 86 p 4

/Editorial: "The President's Indecision"/

/Text/ The newspaper report that there is already a full-scale war going on in Cagayan Valley, by way of executing the military's "mailed fist" policy against the insurgents, is already very disturbing.

It is an indication that while President Corazon Aquino still entertains hope she could get through her desired option for a peaceful solution to the dissident problem, the other important component in her government, the military, is already exceeding the limit of its patience. While it could not be denied that the present military action against the rebels has the blessing of the President, it is also equally irrefutable that the support by Aquino on such maneuver is not without hesitation.

The military, nonetheless, ably provided a good justification for its stepped-up drive against the insurgents. What with so many deaths and wounded from among the government soldiers in already several ambuscades conducted by the rebels on military units /sentence as published/. Despite this, the President appears to be steadfast with her call for a peaceful dialogue. But such is not enough to constitute what could be rightly called a definite policy of the government on the rebel movement.

Without doubt the situation is creating disillusionment among the people. Moreover, it has also brought in uncertainty to some rebels who, by now, might have already considered the offer of the President for a return to the fold of the law.

Quite simply, the root cause of this present national predicament can only be traced to one thing--the President's indecision. And this is one thing which she could not prolong any further if only to arrest the possibility that other groups would capitalize on this as a major presidential weakness.

Thus, it is to her own disadvantage and to none other.

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PHILIPPINES

REPORTAGE ON NPA ACTIVITIES, ATTACKS

## Davao Del Norte Municipality Hit

HK161620 Manila THE NEW PHILIPPINES DAY EXPRESS in English 16 May 86 pp 1, 7

/Article by Mike Crismundo/

/Text/ Butuan City--About 200 heavily-armed men believed to be members of the New People's Army, some dressed in camouflage uniforms, attacked Thursday the municipality of San Mariano in Davao del Norte and occupied its town hall.

Colonel Douglas Rosete, regional commander of the New AFP /Armed Forces of the Philippines/ civil relations service group, said that Regional Unified Command /RUC/ 11 is looking into reports reaching this city that a total of 20 people--10 NPAs and 10 civilians--were killed in the attack.

The field report received by RUC 11 said that the NPA band headed by a certain Commander Brando and one Cesar Dayot attacked the San Mariano police station and engaged in gunbattle the policemen, Civilian Home Defense Force volunteers and a few army Scout Rangers there.

Reports said the raiders were able to occupy the town hall. Some of them attacked the residence of policewoman /word indistinct/ Regidor, injuring her and some civilians.

The rebels reportedly withdrew in different directions at about 6:30 am, bringing their dead and wounded with them. They withdrew when a reinforcement from the 2nd Headquarters Battalion arrived. The San Mariano town hall was reportedly damaged in the attack.

Military authorities here launched Thursday a search and destroy operation against six armed men responsible for the strafing and burning of a police officer's house, the killing of his housewife, the wounding of his boarder, and the killing of another policeman, and a soft drink truck helper last Tuesday.

The manhunt was ordered by Colonel Ruben Cabagnot, PC /Philippine Constabulary/ provincial commander and police superintendent, after receiving an official report pinning responsibility on the armed group, who were all in military uniforms bearing reformist badges, for the last Tuesday's incident which terrorized residents here.

Investigation showed that the armed men commandeered a land cruiser jeep of the Butuan Logs Co. at Bansa, a barangay some 7 km from here, before fleeing towards Cabadbaran town. They left behind their two motorcyles.

Four Killed in Barangay Town Hall

HK231605 Manila THE NEW PHILIPPINES DAILY EXPRESS In English 23 May 86 pp 1, 7

/Text/ Maayon, Capiz--Four persons, including a barangay official, were killed while 11 others wounded when 15 suspected New People's Army guerrillas strafed a public dance hall in barangay Pina here last week, the police reported Thursday.

Police identified the fatalities as barangay tanod Giovanni Delfin Dumulong, Efren Duwame and two others known only by their family names--Salgom and Amoroso.

Wounded were Amelia Leticia, Elizalde Dumulong, Arbento Dizon, Roly Calizo, Liberita Daniel and Efren Dorda and five others confined at the Roxas Memorial Hospital in Roxas City for treatment of bullet wounds.

Police said the rebels came to the dance hall looking for a policeman.

The armed men, according to witnesses, stopped the dance and asked for the policeman. They also disarmed the barangay tanod members and shot one of them in the feet, witnesses said.

They said the men fired their guns during the confusion that followed before they fled.

The 311th PC /Philippine Constabulary/ company soldiers pursued the rebels to the mountains, authorities said.

Thirty-eight Dead in Davao del Norte Clash

HK270812 Manila MANILA BULLETIN in English 25 May 86 pp 1, 15

/Article by Ped Velasco/

/Text/ Nabunturan, Davao del Norte--Thirty rebels and 8 Scout Range troopers were killed while 3 other Scout Rangers and an undetermined number of rebels were wounded when about 200 suspected New People's Army rebels raided and overran a military detachment camp at Sitio Saraban, Barangay Maiinit, this town, at 5 am yesterday.

The site of the encounter was about 100 km northeast from the 3d Marine Brigade camp in Malagun, Davao City which President Aquino was to visit yesterday morning.

The slain soldiers were members of the 1st Scout Rangers battalion under Lieutenant Colonel Dante Bonifacio with headquarters at Monkayo town, Davao del Norte. They were identified as Sergeants Rodolfo Jica and Leonardo Abalon; Private First Class Omar Branzo, Privates Gregorio Bautista and Agmunio and Lauren and Scout Ranger trainees Regie Recee and Renato Alfaro.

The bodies of the fatalities were taken to a funeral parlor in Panabo town.

The slain rebels were carried by their companions when they withdrew after a 2-hour heavy firefight with the 14-man team in the camp headed by Sergeant Herminio Batalla.

The wounded soldiers were taken by military helicopter to the Davao Regional Hospital. They were identified as Privates Noel Tacmiran and Ric Aluhamento and Scout Rangers trainee Elizario Victorino.

Batalla, who was also hit in the head by splinters told MANILA BULLETIN that the rebels attacked the camp from three directions with about 70 men in each direction.

He said they were able to kill 30 rebels and wounded many of them despite superior firepower of the enemies.

The camp caught fire when seven rifle grenades exploded in the soldiers' bunkers.

Three soldiers were killed in the explosions and were charged beyond recognition.

The rebels took several firearms as they occupied the camp for 1 hour when Batalla and five of his men retreated.

The camp was later recaptured by a reinforcement team led by Lieutenant Francis Garce and Sergeant Jaime Cortes.

Colonel Marcelo Blando, 1st Scout Regiment chief, launched a provincewide offensive operation against the rebels who were believed still in Nabunturan town.

Blando said a battalion of Scout Rangers led by Lt Col Dante Bonifacio had been dispatched in the area.

## NPA Overruns Small Army Detachment

HK250402 Hong Kong AFP in English 0359 GMT 25 May 86

/Text/ Davao, Philippines, 25 May (AFP)--A large communist guerrilla force overran a small army detachment near this southern city a few hours before President Corazon Aquino visited a military camp here, a military official said Sunday.

Eight soldiers were killed and three others wounded in the attack Saturday on an army ranger camp located in a gold-mining district 65 km (39 miles) north of here, Colonel Romeo Recina told reporters.

Col Recina, the regional military chief of rebellion-torn southern Mindanao Island, said about 300 insurgents of the New People's Army (NPA) swept down on the camp near the town of Nabunturan.

Mrs Aquino, who was on a 2-day swing through central and southern Philippines, was unaware of the attack that had occurred nearby just a few hours earlier when she joined troops for breakfast at Suburban Camp Malagos, Col Recina said.

He said they were still trying to confirm reports from local residents that 30 NPA rebels had been killed in the attack.

The small army detachment had been "virtually wiped out," said military spokesman Colonel Douglas Rosete.

He quoted a military official near the camp as saying the attack itself was "not unexpected," and that a local gold panner told the military several armed men had descended on the mining district Friday and threatened residents.

Mrs Aquino has pledged to hold truce talks with communist leaders to seek a political solution to the insurgency.

She told some 2,000 residents here Friday that she was considering implementing a ceasefire on a regional basis and giving local officials the responsibility of holding talks with local guerrilla leaders.

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PHILIPPINES

VERITAS ANALYZES CONRADO BALWEG'S SPLIT FROM NPA

HK240902 Quezon City VERITAS in English 16-18 May 86 p 8

/Article by Rina Jimenez David/

/Text/ When the news first surfaced last month--that Conrado Balweg had been expelled from the New People's Army and that he had formed his own "Cordillera People's Liberation Army" /CPLA/ media insurgency analysts went to town.

Said Monica Feria of MALAYA: "...there are fears that the final drawing of the lines may escalate into an internal shooting war. Balweg reportedly leads a band of 80-100 men." Roy S. de Guzman of the INQUIRER put the CPLA's force at 1,000, and said the Balweg's openness to dialogue with the military "radically departs from (the policy) of the CPP /Communist Party of the Philippines/ who have ordered their troops to maintain an aggressive posture against the government soldiers." In BUSINESS DAY, a certain Igancio Capigsan, identified as a CPP Politburo member, outlined "four possible directions" for Balweg's newly-formed army, ranging from returning to the mainstream, forming a working alliance with the NPA, "working for its own interest (and becoming) an enemy of the people," to outright surrender or counterrevolution.

They all proceeded from a common premise: that the Balweg-NPA split was for real, and that the split stemmed from serious differences in party discipline, territorial integrity, ideology, and approaches to issues concerning the tribal peoples.

There is a group from the Cordilleras, however, which does not believe that Balweg and the NPA have truly gone their own ways. The Balweg-NPA falling out, it says, is "party orchestrated," a "determined, last-ditch effort to secure for themselves a portion of the country, having lost the country in the February revolution."

This is the scenario according to the Kalinga-Isneg Self-rule and Self-determination Movement (KISSM), through its spokesperson anthropologist Mariflor Parpan:

"Two things happened. First, the Left declared a "hold out and no surrender policy" in the Cordillera, in response to the feelers for negotiation sent out by the Aquino government. Then the Cordillera People's Alliance (CPA) marshalled

a very high-pitched propaganda campaign for regional autonomy, which is secessionist practically. This is all very logical, since during negotiations, a party always strives to negotiate from a position of strength. In a CPA assembly, William Claver (CPA chairman and currently Kalinga-Apayao OIC /officer in charge/) issued certain statements. One, that the insurgency force in the Cordilleras is a force to contend with, citing the figure of 10-15,000 which is a figment of the military counterinsurgency platform; and two, that the insurgency forces is 80-90 percent ethnic. Not long after, the news of Balweg's split was revealed. By breaking away, Balweg would seem to prove that the insurgency force was really big enough to divide. Then he claims to have broken away on grounds of ethnicity, which seems to prove Claver's second claim.

"Both claims are almost caricaturist. Our own analysis is that with all the executions, mandatory taxation, abuses like looting and burning, and abusive behavior towards women--the NPA has tarnished its image in the Cordilleras. Now the CPLA claims to be a new indigenous force fighting for the tribal people's rights. It is the same tactic of changing names to smell good."

Adds Candido C. Basbasan, a young Kalinga now studying in Manila: "The NPA have been driven out by the Kalinga people because of their abuses. And their presence creates more military atrocities." In Kalinga, says Basbasan, "the people are tired of the NPA's doing nothing. They are out of place in Kalinga. With the resolution of the Chico Dam controversy, there are no more problems in Kalinga."

If the KISSM statements seem entirely out of kilter with the common perception that the insurgents are operating in the Cordillera with the full support of the natives, a perception created in large part by the media, Parpan says it's because "the press has continually chumed out the figments of its own journalistic imagination, and have learned to believe it."

Parpan, and KISSM, also take issue with the media's handling of the "regional autonomy for the Cordilleras" question. Recent stories in the dailies have even quoted Defense Minister Enrile as being in favor of regional autonomy, an issue espoused most prominently by the CPA, which was founded in 1984 after a "People's Congress" attended by 250 delegates, and which now claims a membership of 33 member-organizations.

"Regionalization and regional autonomy are two different things," says Parpan. Regional autonomy is "one notch towards a secession movement," she adds, "even going beyond the Tripoli Agreement." Regionalization, Parpan explains, stems from the concept of territorial integrity, in which the people of a region determine how their land and resources shall be used. The issue first cropped up during the Chico River Dam controversy. "It seeks to broaden the base of participation in decisionmaking," she said, "as well as to deepen access to land and landbased resources."

The cry for regional autonomy, which has been carried in the media, is a "post-revolution" phenomenon, claims the KISSM. "It is not indigenous, and stems from political expediency."

Parpan and other KISSM leaders like lawyer Larry Wacnang and Henry Gupaal, claim that the CPA has a home base "only in very selected and countable ilis (villages)." They add that a majority of tribal areas have rejected the CPA "because of the simple reasons that in the ili itself there is no distinction between the CPA and the NPA and regional autonomy does not express the real sentiments of the people."

CPA leaders, for their part, have long shrugged off accusations linking them to the insurgents, since the line had long been used against them by the military. They also deny regional autonomy is one step closer to secession. The declaration of the first CPA Congress (held 1-3 June 1984) states that "The autonomous regions shall be an inalienable part /preceding two words in italics/ of the Philippine state.... While the Cordillera people shall have the right to determine the form of which self-government to take in consideration of political systems already in practice, all these shall be done within the bounds of the Constitution of the democratic Philippine Republic...."

KISSM leaders are themselves reluctant to discuss numbers, willing only to concede that their membership is "ili-based and counts on the network of the budong (peace pacts)." They also say that the group is made up mostly of Kalinga and Isneg elders, students and OIC designates. A key issue, which they brought up during an audience with President Aquino, is their rejection of Claver as Governor of Kalinga-Apayao on the grounds that the human rights lawyer (he is also member of the Human Rights Committee) "is not Isneg or Kalinga" (he is Igorot) and that Claver's position is "incompatible with the principles of the Aquino government."

Parpan herself has not escaped criticism from the CPA and other scholars who have worked with the Kalinga. She has spent years working among the Cordillera tribes and was detained in the 1970's for her involvement in organizing the tribals against the Chico River Dam. Minnie Degawan, part of the Manila-based CPA staff, says that the Pasil tribe which "adopted" Parpan in 1975, passed a resolution last 24 April (during the celebration of Cordillera Day) declaring Parpan no longer part of the tribe as "she has ceased to work for (their interests." There were also reports that Parpan had been making statements without consulting the tribal leaders.

The raging war of words--between the NPA and the Balweg supporters, between the left and those who claim to represent tribal interests--just proves that the situation in the Cordilleras is far more complex than the media paints it.

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PHILIPPINES

## MARINES DEPLOYED TO COMBAT INSURGENCY IN SOUTH

HK220723 Manila MANILA BULLETIN in English 20 May 86 pp 1, 14

/Article by Jose de Vera/

/Text/ Three brigades of Philippine Marines have been initially sent to Southern Philippines to constitute the "maneuver force" in the anti-insurgency and antisecessionist drives in Sulu, Basilan, Tawitawi, and southern Palawan.

Camp Aguinaldo sources said the Marines were pulled out from the Bicol area, Northern Luzon, and Davao where they reportedly did a good job in establishing rapport with the people.

More marines will reportedly be fielded in the south to agument the armed forces maneuver forces in the Sulu archipelago and southern Palawan, it was also gathered.

The assignment of the marines to these places, according to sources, is the ongoing restructuring of the AFP /Armed Forces of the Philippines/ to preserve unit integrity and make it easier to provide the administrative, logistics, and operational needs of the units.

Previously, the maneuver forces in the anti-insurgency and antisecessionist campaigns were the combination of elements from the four major services--Army, Constabulary-integrated National Police (Pc-Inp), Air Force, and Navy--with the Pc-Inp as the territorial peacekeeping force in the province.

Under the ongoing restructuring, the Pc-Inp would still remain as the "territorial force" with the maneuver forces being any of the three other major services.

This would eliminate the old practice of emasculating or fragmenting, say, an army division whose brigades and battalions are assigned to widely separated areas, making it hard for the commanders, or even the army commanding general, to make inspection trips and attend to their administrative, logistics, and operational needs.

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## URBAN GUERRILLA GROUP PUSHES DEMOCRATIC SOCIALISM

HK231549 Quezon City BUSINESS DAY in English 23 May 86 p 16

/Article by Marites Danguilan-Vitug/

/Text/ An urban guerrilla group advocating "democratic socialism" remains intact even after President Corazon C. Aquino assumed power, maintains a defensive posture, and expresses support for the President "on a case-to-case basis."

They see President Aquino as a populist figure who has brought "democratic space" and can initiate changes but are suspicious of Defense Minister Juan Ponce Enrile and new Armed Forces of the Philippines Chief of Staff General Fidel Ramos. They are also pushing for the implementation of genuine land reform program and dismantling of the American bases in the country.

The 3-year-old group, which calls itself Sandatahang Mandirigma sa Kalunsuran para sa Kalayaan ng Bayan or Sama ka, kabayan /urban fighting force for the nation's freedom/ (SMK), claims 23 fulltime armed guerrillas and 950 unarmed militia members; it has a limited number of light firearms--machine pistols, handguns, M-21s.

They operate in four areas in Metro Manila known as the north, central, eastern and southern sector commands. (Each area is composed of three to five municipalities or urban guerrilla zones.) At present, they are undergoing training on arms grabbing, data and intelligence-gathering, disassembling and surveillance. They are also improvising on the use of incendiary bombs. One of their trainers is a former military officer.

Four SMK guerrillas met with BUSINESS DAY Wednesday in a suburb north of Manila, the first interview they have given the local press.

"We're low profile. It is an advantage not to be known," one of the guerrillas who carries the alias "Bonifacio Nakpil" said. The better known and more organized city-based armed groups are the armed city partisans (ACPS) of the New People's Army (NPA) and the Guerrilla Anak Pawis, an independent Marxist group.

They explained their objective:

--To establish a systematic network for effective communication; and

--To build a united front with city-based armed revolutionary groups.

They are expanding their ranks--only on the militia level--and trying to build up strength through tactical alliances with other city-based guerrilla groups.

The SMK claims it is ready for confrontation but is not launching any offensive. The area leader, known as Alitaptap, said the group intends to pursue its arms-grabbing operations. Usually, the SMK sends two of their people to grab the firearms of one policeman or security guard, what they call as a "two-to-one hit and run operation."

Alitaptap explained they are also preparing for the possible resurgence of "fascism," meaning the armed forces may take a strong hand and move for a coup. If such a situation arises, he said, the SMK will preempt any military action and launch a destabilization drive through bombings of establishments and assassinations.

Urban guerrilla warfare, by the group's guidebook, MINIMANUAL OF THE URBAN GUERRILLA by a Brazilian author Carlos Marighella, requires small unit dispersed operations which compensate for the shortage of arms by surprising the target. Apart from surprise, the group has to have in its favor speed, knowledge of the terrain and information.

"It's difficult to operate in the city. There are no mountains to run to," one of the SMK guerrillas said.

One of their basic differences with the NPA is strategy. The SMK opts for urban insurrection while the NPA advocates "protracted people's war." The NPA operates in the countryside and in the cities and see armed struggle as a historical necessity; they are part of the national democratic movement.

The SMK believes any political struggle needs an armed component but see its role as merely supportive of a revolution to be decided by the people. For instance, if a million or more people massed up to the gates of Malacanang during the Marcos years and spontaneously staged an uprising, SMK would be ready with the arms, the guerrillas said.

"We're into incisive war, destabilization, not an army-to-army struggle," Alitaptap pointed out. "Our theory is: the seat of power can fall through urban insurrection."

SMK was formed in April 1983, taking off from the 6 April Liberation Movement, most of whose leaders were arrested. Some of those not detained helped organize SMK. But today, the SMK guerrillas stressed, none of the 6 April members are with their group. "They have no hold on us. We're completely different," said Alitaptap.

(The 6 April Liberation Movement was behind the bombings of Marcos's crony establishments, hotels in 1980.)

SMK gets its funds from sympathetic businessmen and politicians. It receives massive support before and during the 7 February presidential elections. Usually, cash was given and they bought arms from gunrunners.

The SMK guerrillas expected Marcos to hold on to power after the elections and therefore mapped out a plan to make a "suicidal move" into Malacanang. Before February, they deployed 10 units of 5 people each in various safehouses nearby Malacanang from where they monitored movements in the palace. Another seven units were mobile, assigned to conduct diversionary tactics.

Alitaptap said the 50 people were highly trained; many of the firearms they carried then were on loan from their sympathizers.

The military revolt came first, however, and they moved out their troops to EDSA /Epifano de los Santos Avenue/ bringing in their arms tucked in bags and hidden in their cars and jackets.

SMK had also plans to assassinate television commentator Ronnie Nathanielsz; former ambassador J.V. Cruz was another target.

So far, it has not launched any bombing operations, although it listed Channel 4, Philippine International Convention Center (PICC), and the Commission of Elections then as its likely targets which it placed under surveillance.

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PHILIPPINES

'DE FACTO' NPA TRUCE EXISTS IN MINDORO CRIENTIAL

HK270719 Manila PHILIPPINE DAILY INQUIRER in English 25 May 86 pp 1, 3

/Article by Louie T. Logarta/

/Text/ A "de-facto" truce was recently put into effect by the provincial government of Mindoro Oriental with New People's Army (NPA) rebels operating in that province.

Acting Governor Benjamin Espiritu, 32, in an exclusive interview with the INQUIRER, disclosed that the NPA has agreed to temporarily "put a stop to all the shooting, fighting, and killing" if the government of President Aquino were really sincere in holding a dialogue with them.

Espiritu was able to hold talks with the NPA leaders last week in the hinterlands of Bulalacao town, coincidentally the site of an ambush last 13 March where four government troops killed /as published/ and the PC /Philippine Constabulary/ assistant provincial commander Major Danny Mangila was injured.

According to Espiritu, the NPA guerrillas led by a certain "Ka Macling," agreed to hold back their tactical offensives in the province on condition that the military also cease their operations.

He said that the dissidents had expressed their desire to talk with government and military representatives to "thresh out" various issues prior to any formal ceasefire agreement in Mindoro Oriental.

Espiritu, the youngest provincial officer-in-charge in the 3-month-old Aquino Administration, described the NPA rebels he had dialogued with as "very young ideologues—mostly in their 20s or 30s.

"With only a core group numbering some 150 regulars, the NPA band has managed to operate effectively in the mountain fastnesses of Mindoro, gaining sympathizers from its 600,000 population.

Espiritu recalled he was "invited" sometime last week by the NPA to "talk shop" when they heard his radio plea "to try and give peace a chance." Together with Acting Vice Governor Jesus Punzalan, he went to the Bulalacao hills and met with Macline and his group.

While he gave no definite timetable for the finalization of a ceasefire, Espiritu was optimistic, "I expect we'll be able to conclude negotiations within a month," he said.

He revealed that the guerrillas had three basic gripes against the "establishment." The first had to do with past and present military abuses against civilians--they alleged that over the past few years a lot of innocent people have been "salvaged" by troopers, citing in particular the 1985 massacre of five fishermen in Mansalay town who were reportedly executed by Constabulary soldiers.

The second problem is landgrabbing. According to the dissidents, Mangyans over the years have lost their ancestral lands to several big landowners who employed "legal" methods to acquire these lands.

The third issue had to do with lack of government support. Bulalacao town especially, they said, was the most depressed municipality in Mindoro Oriental. There is even no electricity in the town and no perceived economic development brought on by the government.

Espiritu said, he has requested and was able to get some concessions from the NPA leaders.

"From now on," he said, "there will be no more summary executions of people convicted in their kangaroo courts."

The rebels will in fact assist the provincial government in gathering information for prosecuting those individuals "suspected of committing crimes against the people," he said.

Espiritu has also committed his administration to help farmers with land problems. He said that since the dissidents brought out the problem of illegal logging to his attention, a massive campaign has been launched to stop the denudation of Mindoro forest lands.

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CSO: 4200/1085

PHILIPPINES

## COMMENTARY ASSESSES REGIONAL CEASE-FIRES

HK270757 Manila PHILIPPINE DAILY INQUIRER in English 25 May 86 p 4

/"Opinion" column: "Ceasefire by Regions"/

/Text/ The President, in seriously considering regional ceasefires with Communist-led guerrillas, must have some pretty good reasons for even entertaining the suggestion.

Observers of the insurgency have noted significant changes in how the New People's Army has been operating over the past 2 years or so. When its ranks suddenly swelled with eager recruits soon after the tarmac murders, the NPA command found its hands full.

To be sure, the insurgent army had already been experiencing substantial growth even before that tragic event of 1983. The year before that, AFP /Armed Forces of the Philippines/ field intelligence agents were already sighting NPA units operating in platoon-size formations. By then, the insurgents had already established a significant presence in the Cordilleras, Eastern Visayas and Eastern Mindanao. However, the widespread indignation that followed the killing of Benigno Aquino Jr proved to be the real turning point in the NPA's organizational expansion. Today, its membership has ballooned to 16,000 (25,000 by the rebels' own reckoning); in practically every region, NPA guerrillas are active.

As it turned out, the guerrilla army's unprecedented growth was too much for CPP /Communist Party of the Philippines/ higher organs to handle. In what has been described as an organizational imperative, the NPA command was compelled to break up both its regular, mobile (fulltime) forces into virtually independent "guerrilla fronts." At the helm of these regional formations are commanders of varying temperament, experience and ideological commitment.

This is why guerrillas in Cagayan, for instance, have been more actively engaging AFP troops even as their counterparts in Bicol, Samar and Mindanao have apparently been laying low--sending out feelers about their readiness to negotiate with the government. The organizational breakup, it would now seem, has also resulted in deep political disagreements in what once seemed--and, in fact, was--a monolithic entity.

The government, therefore, now will have to deal not with just one, unified guerrilla army. On the other hand, the multiplicity of NPA "fronts" would permit the Aquino Administration to approach the insurgency question on a region-by-region basis.

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CSO: 4200/1085

PHILIPPINES

## MILITARY COMMANDER DENIES URBAN GUERRILLA THREAT

HK260510 Hong Kong AFP in English 0427 GMT 26 May 86

/Text/ Manila, 26 May (AFP)--The apparent re-emergence of urban guerrilla groups in the greater Manila area is not a threat to the security of the capital, the region's chief military officer told AGENCE FRANCE-PRESSE here Monday.

There was "no problem" as far as the peace-and-order situation in the capital was concerned, Brigadier General Ramon Montano said, adding that "there have always been subversives (operating) here."

Last week, a small, previously unheard-of urban guerrilla group called Samaka Kabayan (SMK) said in an interview with the newspaper BUSINESS DAY that it was undergoing combat training for future operations in the capital.

SMK, which advocates "democratic socialism," claimed it had 23 fulltime armed guerrillas, 950 armed militia members, and a "limited" number of light firearms, said the daily.

In addition, the 16,000-strong New People's Army (NPA), the main communist guerrilla group operating throughout the country, maintains an unknown number of commando units in most key cities, including Manila.

General Montano, head of the elite Capital Region Command responsible for security in this metropolis of 10 million people, told AFP that there were "many groups claiming to be urban guerrillas," including socialist and communist groups and "Moslem radicals."

He said his command was monitoring these groups, but they were not yet in a position to threaten the capital's security.

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CSO: 4200/1085

PHILIPPINES

REBELS RELEASE VILLAGERS, ALLEGE MILITARY ABUSE

HK270503 Manila THE NEWS HERALD in English 26 May 86 p 2

/Article by Eric Gallego/

/Text/ Cagayan De Oro City--Rebel leader Nido Nabong, alias Kumander Charo, /words indistinct/ Mindanao Revolutionary Party Committee (NCMRPC) has released 17 residents of remote Baranggay Balingasag, Lagonlong, in Claveria, Misamis Oriental whom he had been holding for several months now. Nabong denied they were kidnapped by the rebels.

The released village folks were reported as missing by their relatives and friends at the height of a military offensive campaign last year. They were turned over by Nabong to Misamis Oriental Governor designate Vicente Y. Emano during the latter's dialog with the rebels in an undisclosed area in Misamis Oriental early this week.

In a taped interview, Nabong denied the rebels abducted and held hostage the villagers as claimed by some sectors.

Nabong said there were more than 1,000 Barangay residents who sought refuge at their camp for fear of being harmed by the operatives of an anti-insurgency unit mostly composed of militiamen and the religious fanatics.

A family, who declined to identify themselves told Emano that they fled their home in Lagonlong because the militiamen were terrorizing them on suspicion that they were NPA. They said two of their neighbors identified as Jose Lanka and June Cabisog were picked up by the militiamen and were placed under water torture to make them confess that they were rebels.

Those released said they were forced to evacuate to a rebel camp after the militiamen and the vigilantes organized by the military imposed a food blockade limiting their food supply.

According to them, some of these paramilitary units even robbed them of their food supply and agriculture crops.

The villagers urged the replacement of Lagonlong Mayor Juvenal Puerta who they said was responsible for oppressing the people in that town.

Meanwhile, the rebel leader said they will respect the agreement reached by the military-church and Emano early last month to hold a military operation in Misamis Oriental despite the nonrepresentation of the NPAS in the forging of the pact.

PHILIPPINES

## SOUTHCOM COMMANDER REPORTS ON REBEL BATTLES

BK270635 Manila PNA in English 0609 GMT 27 May 86

/Text/ Manila, 27 May (PNA)--When government forces encounter rebels of the communist New People's Army (NPA) in conventional warfare, the soldiers enjoy the upperhand, inflicting heavy casualties on the insurgents. This was reported to Defense Minister Juan Ponce Enrile by Brigadier General Jose P. Magno Jr, commander of the Southern Command.

General Magno said during the past 4½ months this year, the NPA /words indistinct/ men and 18 wounded. At least 163 rebels were killed in face-to-face combat with government troops. Only 26 soldiers wer killed and 66 wounded during the same period in /word indistinct/ confrontation with the NPA's, Magno said. However, he said, another 125 soldiers were killed in various ambushes and liquidations by the rebels.

In actual combat or encounter, government forces enjoy considerable advantage over the NPAs, the Southcom chief said. Also during the same period, he said the military lost 182 firearms to the rebels but the loss was compensated with the recovery of 167 assorted firearms during a series of combat operations against the insurgents.

Magno also told Minister Enrile that the NPA is currently building up its forces through allout recruitmen. They are targetting for recruitment disgruntled military personnel, politicans and even Civilian Home Defense Forces (CHDF), the general said.

He said the NPA, armed wing of the banned Communist Party of the Philippines, considers the current political situation as a revolutionary flow favoring their cause, especially in attaining their next strategic objective. The buildup is complemented by an intensified liquidations by the NPA sparrow units, Magno said. But what is tragic, he said, is that most of the victims of sparrow killings are innocent civilians.

To counter the NPA terror in forcing the people to contribute to insurgent's cause, Gen Magno said his command has responded by launching massive civil-military operations in the threatened areas. He said he himself has had a series of visits and dialogues with military commanders in the field to boost their morale and appraise them on the policies and guidelines promulgated by the New Armed Forces of the Philippines (NAFP).

Assessing the situation in southern Mindanao, Gen Magno said: The new government at present is being confronted foremost by the intensified NPA consolidation and buildup efforts throughout mainland Mindanao. He said the problem was being compounded by the defiance of some local executives who would not yield to the officers-in-charge.

The Southcom chief recommended to Minister Enrile that the peace and order councils and development councils in every town and city be revitalized so that the military could be fully supported by the people in countering the security threat posed by the different threat groups in Mindanao.

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CSO: 4200/1085

PHILIPPINES

REBEL COMMANDER SURRENDERS SELF, WEAPONS TO AUTHORITIES

BK280347 Manila PNA in English 0335 GMT 28 May 86

/Text/ Manila, 28 May (PNA)--A self-proclaimed rebel commander, saying he is tired of fighting, Wednesday voluntarily surrendered to military authorities.

Apolinario Bayubay, 45, alias Commander Baldo, was accompanied by mediamen when he presented himself to Colonel Rolando Vinluan of the office of the deputy chief of staff for civil-military operations and other military officials.

Bayubay said he has 200 armed followers in Zamboangh Del Sur ready to return to the fold of the law.

He said he came to Manila last February but decided to surrender only lately after President Aquino appealed to misguided elements to surrender.

He said he is fed up being a rebel for almost 10 years.

Commander Baldo said his group has forged an alliance with the Communist New People's Army (NPA) in Mindanao in fighting the government.

He said he is also ready to turnover to the military 26 high-powered firearms, including a point 50 caliber machinegun which he bought in 1972 from a soldier.

He said he was forced to form his own armed group after he was accused of arson which, he said, he did not commit.

Commander Baldo claimed he was tortured while under military interrogation to force him to own the crime.

When he jumped bail, he said, he was approached by an NPA member to join the organization.

He said his group killed several soldiers and policemen during ambushes and encounters over the past 10 years.

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PHILIPPINES

## BRIEFS

FIRST QUARTER TRADE DEFICIT--The country suffered a $131-million trade deficit during the first quarter of the year when import expenditures totaled $1,220 million against export receipts of $1,089 million. In the same quarter last year, the first quarter trade gap only reached $63 million with the value of imports reaching $1,201 million against export earnings of $1,138 million. This year's first-quarter trade performance of the country suffered a 1.3 percent decline of $2,039 million from $2,339 million last year. Figures compiled by the National Census and Statistics Office (NCSO) show that for March alone, the trade deficit had swelled to $78 million from $51 million in the same month last year. For this year, March export receipts amounted to $412 million, while imports totaled $490 million. The March export figures this year rose by 5.6 percent or $22 million from 1985's March receipts, while import expenditures posted a $51-million increase. /Text/ /Manila THE NEW PHILIPPINES DAILY EXPRESS in English 23 May 86 p 9 HK/ 12228

JAPANESE VOLUNTEERS ADVISED TO LEAVE--Bacolod, Philippines, 27 May KYODO--Government officials in the central Philippine province of Negros Occidental are trying to convince two Japanese voluntary workers to leave a rebel-infested town where they have been teaching farming methods. The two volunteers are members of the Tokyo-based Organization for Industrial, Spiritual and Cultural Advancement (OISCA) who are teaching in an agricultural training center in a village called Kanlandog in the town of Murcia, about 30 km south of here. The Japanese volunteers, whose identities were not immediately available, are presently conducting a 3-month training course for 25 youths on modern agricultural methods designed to develop food production skills in order to cope with a crisis brought about by the collapse of the sugar-based economy here. Provincial agricultural official Silvestre Ocampo said he was trying to convince the two Japanese to withdraw because of fears that they may be harmed by insurgents. The fears arose because of several incidents in which livestock have been taken from farms. However, there has been no report of any planned attack on the OISCA center and no foreigner is believed to have been harmed by communist-led New People's Army (NPA) rebels since guerrilla activity intensified with the economic decline that began in the early 1980's. /Text/ /Tokyo KYODO in English 0501 GMT 27 May 86 OW/ 12228

CASUALTIES IN NPA ATTACK--One civilian was killed and two militiamen seriously wounded when NPA rebels attacked Barangay (Dalupao) in Pasacao, Camarines Sur recently. Reports received at Camp Bagong Balong identified the deceased as

Vicente Candellaria. He was hit during an exchange of fire. The rebels, who numbered some 70 men, also suffered causalties. A military team was sent to pursue the rebels. /Text/ /Quezon City Radyo ng Bayan in Tagalog 0400 GMT 22 May 86 HK/ 12228

FOREIGN MINISTRY EMPLOYEES PROTEST APPOINTMENTS--Career officers of the Ministry of Foreign Affairs /MFA/ said yesterday they will protest the appointment of at least three political ambassadors to European posts. A spokesman said that the appointments were made by President Aquino while Vice President and Foreign Minister Salvador H. Laurel was in Bali to attend the ASEAN foreign ministers meeting. He said all the appointees are related to a person who was responsible for cleaning up Malacanang after the flight of deposed President Marcos and his family. The ambassadors were identified as Johnny Quimson, to the United Kingdom; John Rocha, Spain; and Ed Manzano, Switzerland. According to the spokesman, the appointees appear to have been appointed purely on the basis of their affinity to the person who recommended them." Laurel said the MFA has a policy of having 70-30 ratio of career to political ambassadors and that any judgments should be held in abeyance until after all posts have been filled up. "I claim responsibility for the appointments of Ambassadors Emmanuel Pelaez (Washington, D.C.), Salvador P. Lopez (United Nations) and Alex Melchor (USSR)," he said. /Text/ /Manila THE NEW PHILIPPINES DAILY EXPRESS in English 22 May 86 p 2/ 12228

MILITARY LOYALISTS PREPARING FOR MARCOS' RETURN--A former military aide of Ferdinand Marcos is organizing an army to provide security if the deposed president returns to the Philippines, a provincial offical said. The official, who asked not to be identified, said the force was being recruited "in deep secrecy" in three northern provinces which had been Marcos' strongholds. He said the aide, a colonel who was a bodyguard of Marcos' daughter Imee, was hiring members of the defunct Presidential Security Command who did not report for duty after Marcos was toppled by a civilian-backed military revolt in February. About 500 fully-armed soldiers from the Ilocos region were among the deserters. He added that the colonel was spreading rumors that Marcos would arrive on a remote island off Cagayan valley at the end of May. /Text/ /Cebu City VISAYAN HERALD in English 13 May 86 p 1 HK/ 12228

NPA TRAINING CAMP CAPTURED--An NPA training camp situated in Barangay San Pascual, Basud, Camarines Norte, fell into the hands of government forces following joint raid operations conducted by the 342th Philippine Constabulary /PC/ Company and 40th Scout Ranger Battalion. Added details from Jun Francisco: /Begin Francisco recording/ At camp Crame, regional PC Commander Colonel Eduardo Taduran reported to acting Philippine Constabulary-integrated National Police Chier Brigadier General Renato de Villa that a raid was conducted against a rebel training camp situated near /words indistinct/ of Barangay San Pascual. During the raid of the training camp, a 45-minute firefight ensued. According to the report, the NPA suffered an undetermined number of casualties while the government side did not suffer any casualties. After overruning the camp and fighting with about 60 dissidents, the troops captured several firearms and ammunitions of various calibers, binoculars, foodstuffs, the communist flag, and subversive documents. /passage indistinct/ Taduran said the Camarines Norte PC Command under Colonel Norberto Molina and elements of the

3d Scout Ranger Battalion are still in hot pursuit of the NPA, who fled towards Bicol National Park. /end recording/ /Text/ /Quezon City Radyo ng Bayan in Tagalog 0400 GMT 26 May 86 HK/ 12228

MARCOS-CREATED MINDANAO OFFICERS ABOLITION SOUGHT--The Moro National Liberation Front has asked the new administration of President Aquino to abolish the autonomous government and all other offices and agencies set up by former President Marcos in the south to deal with Muslim affairs. Added details from Jojo Ismael: /Begin Ismael recording/ According to reports, the MNLF noted that the offices created by former President Marcos aims to distort the true picture in Mindanao. It was learned that the establishment of the autonomous government in the two regions of Mindanao violated the provisions of the Tripoli Agreement concluded between MNLF representatives and the Philippine Government. The MNLF added that there can be no peace in Mindanao unless the government of President Aquino abolishes the aforementioned offices. /end recording/ /Text/ /Quezon City Radyo Ng Bayan in Tagalog 0400 GMT 26 May 86 HK/ 12228

COURT JURISDICTION ON SEQUESTRATION UPHELD--The Supreme Court will decide on Tuesday the validity of the Presidential Commission on Good Government /PCGG/ sequestration of properties owned by Marcos cronies. In an en banc meeting of the Supreme Court yesterday, Chief Justice Claudio Teehankee upheld the court's jurisdiction to rule on the controversial sequestration orders issued by the PCGG. He said the decision is justified in that the sequestration affects the constitutional rights of the individual. Teehankee's decision was in response to petitions submitted by the tourist duty free shops and Roman Cruz Jr, former general manager of several corporations under the deposed Marcos regime. The government lawyers headed by Solicitor General Sedfrey Ordonez had argued that the sequestration orders were outside the jurisdiction of the Supreme Court. /Text/ /Quezon City Radyo Ng Bayan in Tagalog 0400 GMT 23 May 86 HK/ 12228

SOVIET FERTILIZER SHIPMENT BAN ASKED--Manila, 26 May (AFP)--Filipino farmers have asked the government to bar a shipment of fertilizer from the Soviet Union they fear was contaminated after the Chernobyl nuclear accident, the PHILIPPINE NEWS AGENCY (PNA) reported Monday. Farmers' groups also asked the government's nuclear regulatory agency to follow other countries in setting measures to stop the possible spread of radioactive fallout through food and other imports from the Soviet Union and Eastern Europe, PNA said. The fertilizer shipment in question consisted of 10,000 tonnes of urea from the Soviet Union due to arrive here early next month. The Philippine Atomic Energy Commission and the Agriculture Ministry should not take any chance in allowing the entry of Soviet goods without exhaustive inspection, the farmers said in a letter of petition. Spokesmen from the Agriculture Ministry and the nuclear agency could not be reached for comment Monday. /Text/ /Hong Kong AFP in English 1040 GMT 26 May 86 HK/ 12228

CHDF ABOLITION OPPOSED--The military in Mindanao has voiced opposition to the abolition of the Civilian Home Defense Forces /CHDF/, a decision put forward by President Aquino. The military command in Mindanao said they would ask the president to reconsider her decision. According to them, the abolition of the

CHDF would benefit the rebels, who would then be able to infiltrate rural and remote areas in the country if the CHDF is disbanded. /Text/ /Quezon City Radyo ng Bayan in Tagalog 0300 GMT 26 May 86 HK/ 12228

BOMB HOAX AT MEDIA COMPLEX--Manila, 26 May (AFP)--An anonymous telephone caller Monday sparked an evacuation of the Philippine Government's mass media complex with a bomb hoax. Some 50 employees of the Philippine News Agency (PNA) and the state-run television station housed in a building in nearby Quezon City were evacuated but bomb disposal teams found no explosive inside, a PNA spokesman said. He told AGENCE FRANCE-PRESSE a caller of undetermined sex called at 3:30 pm (0730 GMT) saying a bomb would explode within the facilities in 30 minutes. Security officers received the call, he said. The caller did not say why a bomb was supposed to have been planted there or if it came from any particular group, he added. PNA said air force security troops were guarding the building after the hoax. /Text/ /Hong Kong AFP in English 1026 GMT 26 May 86 HK/ 12228

MUSLIMS' MECCA PILGRIMAGE--In view of the forthcoming annual pilgrimage President Aquino has facilitated travel to Mecca. She issued a directive ordering an exemption from travel tax and other requirements, as well as the processing of travel papers in the various regions instead of having to send them to Manila. Muslims will begin their journey to Mecca next month. The worldwide pilgrimage of Muslims takes place on 14 June and is an important part of the Islamic religion. /Text/ /Manila Far East Broadcasting Company in Tagalog 1000 GMT 27 May 86 HK/ 12228

TWO PROMOTED TO BRIGADIER GENERAL--Manila, 25 Apr (PNA)--President Corazon Aquino has promoted two senior colonels to brigadier generals. Promoted to one-star rank were Colonels Jose Almonte, deputy military chief for civil-military operations, and Antonio Sotelo, commander of the 15th Strike Wing of the Philippine Air Force (PAF). /Excerpt/ /Manila PNA in English 0856 GMT 25 Apr 86 BK/ 12228

ILOCOS, MANILA NPA TO MEET--An armed group from Ilocos and Metro Manila is scheduled to take part in a meeting of the NPA in Lopez, Quezon from 29 to 31 May. The meeting will reportedly convene NPA-CPP /Communist Party of the Philippines/, leaders from Bicolandia, southern Tagalog, and Manila. The 236th PC /Philippine Constabulary/ company is said to be closely monitoring the rebels' movements in the provinces. /Text/ /Manila Far East Broadcasting Company in Tagalog 1000 GMT 26 May 86 HK/ 12228

SECRET TRAINING OF MARCOS LOYALISTS REPORTED--In Bauang, La Union, a human rights group reported that some local officials are secretly training Marcos loyalists groups in /word indistinct/, Ilocos Norte with the aim in view of overthrowing the Aquino government. At a meeting, the Northern Luzon human rights organization said that the local officials included mayors in Ilocos Norte. According to the report, the secret training is conducted by former members of the dissolved (?National Intelligence Security Agency). /Text/ /Quezon City Radyo ng Bayan in Tagalog 0400 GMT 28 May 86 HK/ 12228

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THAILAND

## COLUMNIST RAPS THACH ON PRK, SEES THAI AS ISOLATED

Bangkok BAN MUANG in Thai 24 Apr 86 p 5

[Ta Mo Lo column: "Nguyen Co Thach Takes Off the Mask"]

[Excerpts] When Nguyen Co Thach visited Bangkok recently, he said a few things that were different. Right after he arrived at the Bangkok airport, he did not waste any time, saying that Vietnam would not, or could not, accept the proposal made by Prince Sihanouk. Vietnam's attitude shows that it is in full control of Cambodia and that it makes the decisions for the Heng Samrin faction. Heng Samrin does not have the right to make any decisions. This is a great mistake on Vietnam's part.

If Vietnam were sincere, it would allow the Khmer coalition and Heng Samrin to negotiate with each other. Because both of these factions are Cambodian. These two groups should cooperate to solve the problems by themselves. The fact that Vietnam rejected the Khmer coalition's proposal on behalf of the Heng Samrin faction shows that Vietnam has the same power in Cambodia as did France during the period that Cambodia was a colony of France.

Vietnam has never seriously considered withdrawing all its troops from Cambodia. As long as the Soviet Union continues paying for the war in Cambodia, ASEAN's attempts to solve the problem will achieve nothing. Our ASEAN friends realize this and so they have changed their attitude and begun sidling up to Vietnam. Only Thailand continues to talk tough. Our ASEAN partners are increasing their trade with Vietnam.

Singapore and Indonesia have gone farther than the other members of ASEAN. Senior Indonesians have visited Vietnam as if Vietnam is their second home. Vietnam is a market with great needs because of the serious domestic shortages. Whoever thinks that Vietnam does not have purchasing power is mistaken. Vietnam may not have much money, but it has vast natural resources such as ore and timber.

Today, Japan has the largest share of the Vietnamese market, and it is expanding investments in Vietnam. At the same time, Japan is giving Vietnam so much help that it can be said that with the exception of the Soviet Union, it is Japan that gives Vietnam the most help. Japan is very clever. It is using aid as a business pass.

American businessmen are keeping a close eye on this market. They are making a great effort to penetrate the Vietnamese market. It won't be very long before the streets of Hanoi are filled with American businessmen. Many countries that have opposed and condemned Vietnam's military occupation of Cambodia are trying to expand trade with Vietnam. Thailand and China are the only countries that still ban selling strategic materials to Vietnam. But this has failed to achieve anything, because other countries are eager to sell these goods to Vietnam. Supply exceeds Vietnamese market demand. This is like "driving the cows into someone else's pen."

Vietnam's occupation of Cambodia is a long-term problem. It cannot be solved in 1 or 2 years. Prince Sihanouk, Khieu Sampan, Son Sann and Nguyen Co Thach may be dead by the time this problem is solved. Thus, we should try to limit the magnitude of the problem and reduce the importance of the problem. We should consider it to be just an "allergy." We should let the United Nations and ASEAN take responsibility for this problem. We should't bear full responsibility for this while our allies enter Vietnam by the "back door."

I am in favor of having Thailand and Vietnam restore normal trade relations and expand trade relations. Good trade relations will help reduce the tension. This will also help unify ASEAN and make it easier for ASEAN to play its role. Member countries won't get into disputes over interests. In dealing with Vietnam, you have to use the method of "tying the cow to the pole."

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## DEPUTY FINANCE MINISTER ON BUDGET DEFICIT, DEBT BURDEN

Bangkok DAO SIAM in Thai 26 Apr 86 pp 3, 12

[Unattributed report: "Finance Says That 1987 Budget Must Be Austere Because Debt Burden Is Becoming Dangerous"]

[Text] The Business Management Association of Thailand held its annual meeting on 23 April at the Siam Intercontinental Hotel. Mr Suthi Singsane, the deputy minister of finance, gave a talk on the economic measures implemented by officials and their effect on the economy. He said that since the middle of 1985, the government's policy has been to try to relax things. It has lowered oil prices and reduced interest and tax rates. However, in formulating the 1987 budget, the government has had to be very careful. It has had to consider the government's budget deficit.

"In the present economic situation, some people wonder why the government doesn't increase the budget in order to stimulate the economy. Actually, the 1987 budget has been set at 226 billion baht. But government revenues will total only 184 billion baht, which leaves a deficit of 42 billion baht. That is a very large deficit. Something else that is worrisome is that the budget for servicing the debt has been set at 56.15 billion baht. Debt servicing has reached a dangerous level, and we must exercise caution."

Mr Suthi said that he expects the economy to improve. The economy as a whole should expand by more than 4 percent. Inflation will probably be around 2 percent. The balance of trade deficit will decline to 50 billion baht. The economy will recover gradually. It should be possible to see signs of the recovery in the second half of this year or at the beginning of next year. In the future, the private sector should play an important role in helping the economy to recover. As for government job expansion, we will have to look at investment recovery and the risk factor. Besides this, the government must monitor things and create an environment conducive to investment and job creation.

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## ANTI-U.S. POLICY STANCE HAILED, RETALIATION FEARED

Bangkok BAN MUANG in Thai 27 Apr 86 p 5

[Ta Mo Lo column: "Ending the Policy of 'Following the Butt' of the United States"]

[Text] Thailand surprised people when it voted in favor of the UN Security Council motion condemning the United States for its attack on Libya. The United States did not expect this, because Thailand has always sided with the United States. The United States responded angrily, saying that it was very disappointed that such a close and trusted friend as Thailand would vote to condemn the United States. It said that it had given much help to Thailand and added ominously that it would not forget this. Let them be disappointed. They have disappointed us, too.

Thailand was right to vote in favor of the UN Security Council motion condemning the United States for attacking Libya. This vote was taken in response to a motion made by 101 non-alligned countries. Our action was right both politically and morally. In legal terms, the action taken by the United States against Libya "did not fit the crime." The law does not grant a pardon. The United States needs to be warned in order to get it to review its actions. The United States has great influence and power, and its actions could lead to a world war. And a nuclear war could destroy the world. Small countries should have the comfort of knowing that they have the right to be treated fairly.

Thailand's vote in favor of condemning the United States was the first time since the end of the Second World War that Thailand has opposed the United States on an international political matter. This is the first time that Thailand has taken an independent stance on the international political stage and acted independently in implementing its foreign policy. It's good that Thailand has left the narrow lane and stepped out onto the wide street. I just hope that Thailand doesn't return to the narrow lane and that it doesn't step from one narrow lane into another. "Following the ass" of someone may give short-term benefits, but it leads to disaster in the long-term.

Thailand's decision to oppose the United States on the Libyan issue signifies a new chapter in the history of Thailand's foreign policy. We have moved from "following the ass of the United States" to taking an independent position and standing on our own. This is a chance for Thailand to change its foreign

policy so that we are truly independent. Thailand should be friendly with all countries and treat them equally. We should stop relying on the United States as our "life line." We should start relying on ourselves more. I think that this will benefit Thailand's economy and security in both the short-term and the long-term.

But we must be careful of U.S retaliation. Thailand's vote to condemn the United States in the UN Security Council embarrassed the United States greatly. The immediate U.S. statement expressing U.S. disappointment and reminding us of all the help that the United States has given Thailand is just the start. The United States has a reputation for subverting others. We must be careful about this. The way that we can protect ourselves against U.S. subversion is to have domestic solidarity. We must not allow this issue to divide us. Those who are close to the United States will be the target of the United States. They must be firm and not allow the United States to use them as tools of the United States.

However, the fact that Thailand has left the American lane and taken an independent road does not mean that Thailand is an enemy of the United States. We did what was right, and we will continue to do what is right in the future. We are still a friend of the United States just like we are with other countries. It is the duty of the U.S. government to cooperate with Thailand in fostering good mutual understanding and building good bilateral relations based on equality. The United States must give up the idea that Thailand owes a great debt to the United States for all the help that the United States has given Thailand. Because the truth is that the United States has benefited greatly from helping Thailand. The United States has been able to "fly its flag grandly" in Southeast Asia following its defeat in the Indochina war because of the capabilities and help of Thailand. The United States has overlooked this fact. We do not owe them anything.

The United States is like a spoiled child who screams the first time it doesn't get what it wants. The United States must improve itself. Otherwise, it will find itself isolated in the world. The United States must review its actions and see whether it has treated Thailand properly. I hope that the meeting between President Reagan and the ASEAN foreign ministers in Indonesia does not go too badly. And I hope that Mrs Nancy Reagan has an enjoyable time during her visit to Bangkok. I hope that she has a chance to taste some Thai rice once or twice.

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## CLASS 7 'TURKS' MILITARY, POLITICAL FORTUNES VIEWED

Bangkok DAO SIAM in Thai 27 Apr 86 pp 1, 16

[Excerpt] As DAO SIAM reported, it looks very likely that young turks who participated in the 1-3 April 1981 rebellion will be allowed to return to government service. Some junior officers have already received orders from the army to report for duty. The Defense Council will discuss the qualifications of people who are over age, that is, people with the rank of colonel who are over 45 years old. Such people cannot return to government service unless the rank of special colonel is considered to be equal to the rank of "general." Because regulations stipulate that "generals" who are 50 years old may return to government service. Reports issued following the Defense Council meeting on 24 April stated that this issue was not discussed at the meeting even though preparations had been made to put this on the agenda. The Office of the Under Secretary of Defense was going to propose this. DAO SIAM has learned that this came to an abrupt halt because the matter was disclosed and became a "major news story." Furthermore, at the present time, the discussions are focusing on young turk majors and lieutenant colonels, of whom there are still many who have not returned to government service, in order to return these people to government service first. It will probably not be too long before all junior young turks return to government service. This will leave only the senior young turks.

A news source close to this has informed DAO SIAM that the "senior person" slated to become the next RTA CINC put a "halt" to this matter for the time being, saying, "let's take it easy. Everything will work out all right." The news source said that Gen Prem Tinsulanon is in favor of waiting a little in order to allow things to calm down and to solve the problem concerning those young turks who are "subordinates."

DAO SIAM has also learned that the young turks at that level are now leaning toward political careers rather than returning to government service. This is because the political path of CRMA [Chulachomklao Royal Military Academy] Class 7 young turks began to look much brighter when Maj Gen Chamlong Simuang won the election for governor of Bangkok Metropolitan and several young turks became advisors to the governor of Bangkok Metropolitan. Today, the senior young turks are considering establishing a political party. They want to turn the "United Force Group" of Maj Gen Chamlong Simuang into the "United Force Party." They have already begun making preparations to register as a political

party. They plan to field a rather large number of candidates in Bangkok Metropolitan and several other provinces, particularly those provinces where large military units are stationed.

Maj Gen Chamlong Simuang will not be the leader of the United Force Party. He will probably serve as the secretary general of the party. DAO SIAM has learned that Lt Gen Withoon Yasawat, or Phi Thep 333, who failed in his bid to become an MP from Bangkok Metropolitan and who is now serving as an advisor to the Social Action Party, has been asked to become the leader of this political party. It is quite likely that he will accept the offer to become party leader. This matter is being coordinated by Special Col Prachak Sawangchit, who is very close to Lt Gen Withoon. DAO SIAM has also learned that several senior officers who "fought together in Laos" support having Lt Gen Withoon Yasawat serve as leader of the United Force Party. This political party will definitely support Gen Prem Tinsulanon.

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## OFFICIAL ON SUPPRESSION DIFFICULTIES WITH SEPARATISTS, CPM

Bangkok BAN MUANG in Thai 29 Apr 86 pp 1, 16

[Unattributed report: "Difficult To Find Those Responsible for the Bombing of the U.S. Consulate"]

[Text] On the afternoon of 28 April at the Ministry of Interior, Mr Prakit Uttamot, the deputy under secretary of the Ministry of Interior for special affairs, stated that at present, both the Chinese communist guerrillas and the bandit terrorists in the five southern provinces are very active. It is very difficult to suppress them. Some bandit terrorists have been shot and killed. Some of these people surrendered to government officials and later rejoined the bandit terrorists. Order No 66/23 has not been effective with this group. "Actually, many bandit terrorists have surrendered. We are trying to find places for them to live and work. But some have reverted to being terrorists," said Mr Prakit.

A reporter asked about the bombing of the U.S. consulate. Mr Prakit said that it will be difficult to find those responsible because of the lack of evidence. At present, officials from various units are trying to explain things to the people, particularly the Thai Moslems. We are trying to make them understand that Thailand opposes the U.S. attack on Libya. Besides this, there may be some bandits in the south who have been trained by Libya. On the other hand, the [communist] terrorists are not very active today. Most of the terrorist acts are being committed by ordinary bandits who claim to be terrorists.

"About 30 hotheaded Thai Moslems have been trained in Libya," said Mr Prakit. As for ore smuggling, Mr Prakit said that the situation is very dismal. At present, ore prices have declined sharply, falling from 20,000 baht to only 7,000 baht per ton. This has had a terrible impact on mining operations. Even smelting plants in Singapore have shut down operations.

Mr Prakit also mentioned the recent transfer of police officials. He said that an inspector at the Sadao police station was transferred because of the complaints against him. In particular, he was said to be profiting from border smuggling activities.

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INTERIOR MINISTRY ADVISER SUED FOR DEBTS

Bangkok BAN MUANG in Thai 29 Mar 86 pp 1, 16

[Unattributed report: "Khaisaeng Sued for Failing To Repay Money Borrowed To Treat Father"]

[Text] At the civil court on 28 March, Dr Monphatrilan Chumphon and Mr Thongdi Chaiphanit, who are on the board of directors of the Sukhumwit Medical Company Ltd, filed charges on behalf of the company against Mr Khaisaeng Suksai, a former MP from Nakhon Phanom and currently an advisor to the deputy minister of interior, Mr Wira Musikaphong. Mr Khaisaeng, who lives at 211/10 Ban Muang Thong 2, Phattanakan road, Bangkok Metropolitan, was sued for failing to repay debts totaling 55,315.58 baht.

The plaintiffs charged that on 27 January 1984, the defendant hired the defendants to give medical treatment to Mr Thapthim Suksai, the defendant's father. He was treated until 24 February 1984 and recovered from his illness. As of 24 February 1984, the defendant owed 146,596.00 baht in medical bills. The defendant paid 66,596.00 baht and signed a contract stating that he would repay the remaining 80,000 baht by 27 March 1985. But at the end of that period, the defendant requested an extension. On 2 May 1985, he signed a contract agreeing to pay at least 5,000 baht a month. But he paid only four installments totaling 2,850 baht. He did not make any further payments.

The plaintiffs questioned the defendant about this, and on 13 May 1985 he paid 5,000 baht. On 11 July 1985 he paid another 2,800 baht. Altogether, he still owed 52,500 baht. When the plaintiffs asked the defendant for their money, he ignored them and so they filed suit, asking the court to award them 55,315.58 baht for principal plus interest. The court has agreed to hear the case.

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CENTRAL BANK LOANS SUPPORT RICE PRICES--Mrs Praphaphim Skuntaphai, the director of the Office of the Secretary, Bank of Thailand, issued a statement on 30 April 1986 saying that the Bank of Thailand will spend 3 billion baht to purchase paddy. Of this, 1.5 billion will come from the bank's main office. The branches in the other three regions will each contribute 500 million baht. Cooperatives, farmer groups or juristic persons such as rice mills will be allowed to borrow money at an interest rate not exceeding 7 percent a year in order to purchase paddy and other produce from the farmers. This will remain in effect from 1 May 1986 to 30 April 1987 in accord with the rice production season. Sugar cane growers will be allowed to borrow money at an interest rate not exceeding 7 percent a year. To qualify for a loan, the person's name must appear on the 1985/1986 sugar cane purchase register of the plants. A total of 625 million baht has been set aside for this. This will remain in effect from 1 May to 31 August 1986. Mrs Praphaphim said that the Bank of Thailand has supported production and exports. But domestic products are not purchased regularly. Loaning money at a low rate of interest should help complete the circle and enable buyers to purchase rice from the farmers. This should help raise rice prices, which are very depressed at the present time. [Text] [Bangkok BAN MUANG in Thai 1 May 86 pp 1, 3] 11943

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## PARTY MEMBERS RECRUITED AMONG WORKERS, YOUTHS

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 13 Mar 86 p 2

/Article by Tran Thanh: "Try To Recruit 5,000 New Party Members in 1986"/

/Text/ In 1985, the entire party organization in the city recruited 4,578 new party members, fulfilling 98.98 percent of the envisaged yearly recruitment norm. Among these new party members, the ratio of workers directly engaged in production was 15.26 percent, that of members of the Communist Youth Union was 69.87 percent, that of female party members was 31.56 percent, and that of party members having attended advanced schools or those at the higher level was 14.37 percent.

It was the 2nd year when the entire municipal party organization implemented the directive of the standing committee of the municipal party committee on intensive development of the party. In the space of 2 years--1984 and 1985--the city recruited 9,953 new party members, fulfilling 99.53 percent of the plan norm set in the resolution of the third congress of the municipal party committee. This result illustrates the great efforts exerted by all party organizations and chapters at the grassroots level to develop the party.

Unlike the previous years, party development was conducted rather evenly in all areas. More than 72 percent of primary party organizations developed the party in a systematic manner. The plan to train prospective party member was included in the monthly, quarterly, and yearly resolutions of each party chapter. Party organizations at the grassroots level also tightly controlled the implementation of these resolutions. Many secretaries exercised direct and specific guidance, control, and supervision and helped resolve difficulties and obstacles. By developing the role of youth and trade union organizations in building the party, industrial enterprises recruited 971 new party members, two-thirds of whom were directly productive workers. Precincts and districts concentrated on building a political force through the mass movement for revolutionary action at the grassroots level, paid attention to building the party within the small industry and handicraft production sector, and consequently took the lead by recruiting 2,475 new party members last year. The 1st, 3d, and 11th precincts, Tan Binh Ward, and Cu Chi District were units which satisfactorily fulfilled the 1985 norm for party development. Almost all the newly recruited party members were young people who were aware of the need to struggle, who had a correct motive for struggling, who had virtues and

a fairly high standard of specialized knowledge, and who were trusted by the masses. After being recruited, many of these new party members began to play an active and exemplary role and were entrusted with more important missions.

However, some primary party organizations have not yet considered it important to formulate a plan and guideline and to build a structure in order to improve and recruit new party members. Some party members have not properly carried out propaganda and education to enlighten the masses and recruit new members for the party; shrinking from difficulties, they have relied on party committees at higher echelons and waited until the masses become progressive before recommending prospective members to the party for further training and admission. For this reason, over 33 percent of primary party organizations have not developed the party satisfactorily. From 60 to 80 percent of primary party organizations in the Mechanical Engineering Corp., Public Health Service, Cultural and Information Service, and Ministry of Education have failed to recruit new party members. The ratio of newly recruited party members who are workers directly engaged in production in important areas is still low in comparison with requirements.

The principal reason for these shortcomings is the failure of primary party organizations to fully understand the position, target, and requirements of and necessity for party development under the present circumstances of transformation, construction, and defense of the socialist fatherland.

The Sixth National Party Congress will be held in 1986, and it is the 1st year to implement the Fifth 5-Year Plan and, at the same time, to steadfastly carry out the resoutions of the sixth, seventh, and eighth plenums of the party Central Committee. In view of this situation, it is urgently necessary to strengthen party leadership from the grassroots level in three domains--political, ideological, and organizational. Therefore, only by effecting a vigorous change in developing and building the party can we meet requirements of new missions.

In 1986, the municipal party organization will concentrate efforts to step up party development among the working class--mainly among workers directly performing production in industrial enterprises, construction sites, and state farms--and to gradually ensure that every installation and production team and unit has party members. In subwards and villages, the party organization will pay attention to recruiting new party members from among the laboring masses who are actively working in various sectors at the subward and village levels and in collective production installations, kindergartens, and public health stations. In the area of distribution and circulation, attention will be paid to developing the party among the personnel in charge of purchase, warehouse management and protection, transportation, and direct distribution of goods. In other sectors and units, attention will be paid to people having high specialized standards and skills and a constant struggle spirit.

With these guidelines, it is certain that in 1986 the entire municipal party organization will satisfactorily carry out the plan to recruit 5,000 well-qualified new party members and that it will ensure that at least 20 percent of them will be workers and over 60 percent will be members of the Communist Youth Union.

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## COLUMNIST URGES SELF-CRITICISM TO IMPROVE PARTY MEMBERS' QUALITY

Hanoi NHAN DAN in Vietnamese 9 Apr 86 p 3

[Party Building column by Dau The Bieu: "The Title of Party Member Through Criticism and Self-Criticism"]

[Text] To be worthy of the title "party member" is a regular task of communists and party organizations, particularly the primary party organizations. But because the party holds power, many party members and even many party organizations have slighted or ignored this task. In recent years, while many comrades have acted ethically and shown good quality, some party members have declined in revolutionary quality. Among these are deviants. In considering this situation, three points need to be considered: First, this ethical decline and loss of quality in some party members has tarnished the party's image in the eyes of the people. Second, many party members who have made mistakes have managed to conceal their mistakes in various ways, such as by attacking those who criticize them or acting like "demogogues" and generating "trust" by helping people to profit illegally. Thus, people are either afraid to or don't want to participate in criticism and self-criticism. Third, party members lack training, and the party organizations ignore making lofty demands concerning the title of party member.

The party does not operate in a vacuum and so it is constantly affected by society. But this does not allow us to conclude that just because there are negative phenomena in society, there will inevitably be negative phenomena within the ranks of party members. The party is the political leader and the guide in moving society forward based on the viewpoint of the working class. This is the revolutionary vanguard role of party members. Party members, regardless of their post and regardless of how long they have been in the party, must never regard negative phenomena in their work as something natural. Rather, they must regard this as being unusual, because the title of party member requires that communists always be alert and that they resolutely prevent the bad effects of society from affecting them. They must carry on activities enthusiastically in order to contribute, together with the party organizations, to overcoming the negative manifestations in society and lead society forward. In order to solve the problems concerning the economy and the standard of living and overcome the negative phenomena in society and in the party, the party organizations must have an all-round viewpoint and uniform measures on many fronts. But priority must be given to solving these

problems in the party. Each party member must set high standards for himself concerning the title of party member. At the same time, the party organizations must make high demands of each party member concerning the title of party member based on the requirements stipulated in the party statutes. We must criticize things and overcome the situation in which party members act laxly, refuse to engage in self-criticism, don't want to listen to honest criticisms and only want to be praised for their accomplishments. Collectively, they go through the motions and do just enough to get by. The title of party member requires that communists constantly train and improve their morals and quality. They must make an effort to increase their knowledge and capabilities, particularly when the revolution encounters temporary difficulties. The title of party member requires that communists engage in correct self-criticism concerning ethics and qualities and individual responsibilities. They must not be afraid to listen to the honest and frank criticisms of other comrades during party activities. What is even more important is that they must be intelligent so that, after the criticism and self-criticism campaign, they can exploit their creative talents, improve their concept of organization and discipline, strengthen internal solidarity and complete the tasks assigned them as well as possible.

Today, the title of party member requires that party members, particularly the leading cadres, give much thought to actions. This must be done for the sake of the entire country and the entire party. Also, based on adhering to the principles, they must show initiative and be creative. Party members who are leading cadres must seriously carry out the words of President Ho: "If criticism and self-criticism is to achieve results, cadres at all levels, particularly the high-level cadres, must set an example." (Footnote) (Ho Chi Minh: On Criticism and Self-Criticism, Su That Publishing House, 1976, p 41.)

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## ECONOMIC MANAGEMENT OF ENTERPRISES IMPROVED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 11 Mar 86 pp 1, 4

/Article by V.H.L.: "Nguyen Van Linh Speech at Training Course To Improve Economic Management Apparatus"/

/Text/ Nearly 600 management cadres from production units in the industrial, small industry, and handicraft sector in the city have just finished a training course to improve the economic management apparatus.

Jointly organized by the industrial and training boards of the municipal party committee, this training course was designed to equip economic management cadres in production installations with fundamental theoretical concepts about improvement in the economic management apparatus and creative implementation of the spirit of the resolutions of the sixth, seventh, eight, and ninth plenums of the party Central Committee and the resolution of the ninth conference of the municipal party committee. Students in the training course learned from experiences in improving economic management apparatuses in some CEMA countries and heard reports by some typical production and commercial units in the city. The students intensively debated problems requiring solution to ensure the right of installations to take the initiative in production and business--such as assigning plan norms, supplying and exploiting materials, financial independence of enterprises and their right to use their capital, calculating production cost and fixing prices, selling products and importing and exporting goods, and resolving labor and salary problems. Almost all the views expressed concurred that to transform the management apparatus, it would be necessary for the sectors concerned--such as planning, finance, banking, home and foreign trade--to change their working methods.

Noteworthy is the fact that Nguyen Van Linh, member of the Political Bureau, secretary of the municipal party committee, and permanent member of the Central Apparatus Subcommittee, talked to the training course about the origin of the administrative and bureaucratic centralist state subsidy mechanism in our country, the urgent need to replace it, and the fundamental guidelines to be applied to abolish it in the present economic management system. He stressed the role of installations as owners in formulating plans, enjoying financial independence, lowering production cost, and associating production with sale and the market so as to achieve high economic efficiency, to expand production, and to improve the life of cadres, workers, and civil servants. Only by so

doing can state enterprises become strong enough to play the leading role in production and business and to carry out three revolutions--in production relationships, science and technology, and culture and ideology--of which the scientific-technological revolution must play the key role.

Concerning worries about restrictions imposed by old regulations, the municipal party committee secretary said: "Our city is one of five provinces and cities authorized by the central level to experimentally improve the management apparatus. The municipal party committee and the people's committee will assume responsibility for this matter." He reminded the audience that the revolutionary undertaking must be carried out from the grassroots, that any innovation requires a creative spirit and the courage to act and bear responsibility, that care must be exercised but hesitation must be avoided, and that the director and four boards of each enterprise must act with the communist spirit.

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ECONOMIC PLANNING, TRADE, AND FINANCE VIETNAM

## ARTICLE DISCUSSES NEED TO ECONOMIZE, REDUCE WASTE

Hanoi NHAN DAN in Vietnamese 5 Apr 86 p 3

[Article by Nguyen Chi Vuong: "Frugality and Industrial Life"]

[Text] The concept of frugality is now becoming very important in the lives of people throughout the world. At a time when resources (land, ore, fuel and so on) are dwindling and becoming more scarce at an alarming rate, it is more important than ever to teach everyone the concept of frugality. We must have a more correct attitude toward the problems related to our existence, particularly toward the use of raw materials and labor. The concept of economizing in small-scale, self-reliant production is to save a little in consumption. This must be supplemented with a synchronized and more long-term view, which is to economize in labor, save time and use and exploit the raw materials efficiently. In particular, attention must be given to results, and each person must have a concept of planning in industrial life.

Some people say that even though our country is poor, we are nevertheless wasteful. This is true to a degree, but it is not totally accurate. We have a long tradition. Since the August Revolution in particular, the tradition of frugality has been manifested in protecting and building the country. President Ho is a modern example showing the world what the Vietnamese people are like. The previous "rice to feed the troops" and "rice for resistance" movements and today's movements by elderly people and youths to economize and build wealth are very valuable examples. But in general, waste is still a major problem that must be overcome. Everyone knows this, but sometimes people don't see the problem in all respects and don't have measures to solve the problem at the source. Many people are wasteful and cause problems for others, but no one is punished for this. Investing in production and construction and improving the standard of living are the leading tasks, but they also create the most waste. Factories, water towers, storehouses and towns that were built many years ago but never used have gradually been torn down by the people. At construction projects, materials have been stolen and time periods have been extended, which has led to much waste. We lack regulations stipulating responsibilities concerning this. Agencies and enterprise encroach on farm land at a time when there is a shortage of grain. Many hectares of good farm land have been occupied by agencies in the name of construction, but they have just let the weeds grow. And making moonshine is still a serious problem. In particular, labor, which the resolutions of the fourth and fifth congresses

referred to as our most valuable resource, has been wasted. There are many unemployed laborers, particularly in the cities, but they have not been used to produce social products. Many wards in Ho Chi Minh City, Da Nang and Hoi An in Quang Nam-Danang have transformed this labor force into a resource and used it to produce valuable export goods. This provides a valuable lesson on using gray matter and high labor techniques. One thing that has created great waste is bureaucratic centralism and state subsidies. The resolution of the 8th Plenum of the Party Central Committee criticized this roundly and said that this must be eliminated.

Guidance usually emphasizes consumption, but the measures stop at making appeals. Higher echelons, which should serve as examples for lower echelons in implementing the polices, create waste, but they are not criticized. A number of agencies and cadres set bad examples for the people in spending money. They hold festivals, set off firecrackers, hold banquets, have grand weddings and spend much money during Tet. Also, the cities set bad examples for the rural areas. These manifestations of waste are just a few examples of a major social problem. The important question is what can be done to solve this problem. Can it be solved? A number of countries, including a number of countries that are now in the process of perfecting socialism, have gone through such periods. They have had to pay a high price to create a relatively perfect mechanism and a frugal way of life. This has required a spirit of discipline and strict enforcement of the laws. The economic and social mechanisms, the state apparatus and the policies on economizing have been turned into specific laws. Whoever violates the laws is punished. Some countries even have statutes to protect public property. If a citizen sees a case of waste but does nothing to put a stop to this, he is considered to have broken the law, too. Going to a restaurant and not eating all the food ordered is regarded as an uncultured act. Instilling a concept of frugality must start in kindergarten and continue on through general school.

We can solve the above problems. Actually, we have scored a number of achievements. Many models and movements have generated valuable experiences in economizing. An example is the anti-moonshine movement in nine provinces in the Mekong River Delta and in Ho Chi Minh City. There have also been movements in the public security and youth sectors. Some cities and localities have made a great effort in difficult circumstances. The leadership echelons and people have had a concept of being frugal in production. This affirms the concept of frugality of many of our cadres and people in accepting the viewpoints of the party and the profound teachings of President Ho.

Instilling a new view on frugality, a profound concept of the seriousness of waste, which has a social nature, and an attitude of solving this problem resolutely and scientifically is a major problem facing our country today.

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## BRIEFS

MATERIALS PROCUREMENT IN HO CHI MINH CITY--At a time when the supply of materials is not synchronized, the Ho Chi Minh City Integrated Materials Corporation, through foreign trade organizations, has obtained materials by engaging in joint business activities with many provinces. It has supplied 36.7 percent of the materials for industrial production and urban small industry and handicrafts and 55.7 percent for agriculture and small industry and handicrafts outside the city. This includes 900 tons of steel, 2,515 tons of bottles and 1,510 tons of discarded plastic materials. The corporation has also supplied materials for building the rural areas outside the city. During the past 5 years, together with other sectors, it has built 122 km of medium-voltage power lines in Cu Chi, Hoc Mon, Binh Chang, Nha Be and Thu Duc districts and supported irrigation and drainage needs for 250 hectares of industrial crops, 2,400 hectares of high-yield rice and 750 hectares of specialized cultivation vegetables. The corporation has actively participated in improving the discarded materials sector. Seventeen ward and district materials corporations have established 43 cooperative stores. These have attracted almost 542 households that deal in discards (86 percent of the households). The total value of the discards that have been obtained is 85 million dong, which accounts for 15.88 percent of total sales. [Text] [Hanoi NHAN DAN in Vietnamese 12 Apr 86 p 1] 11943

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END

JPRS-SEA-86-104

18 JUNE 1986

# Southeast Asia Report

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REPORTAGE ON REACTION TO JAKARTA BOMBINGS

Newspapers Praise Security Officials

BK160751 Jakarta Domestic Service in Indonesian 0600 GMT 16 May 86

[From the press review]

[Text] PIKIRAN RAKYAT praises security officials for quickly handling the situation arising from and conducting an intensive investigation into three blasts in Jakarta on Wednesday afternoon [14 May]. The daily also understands the security officials' appeal to the public not to panic but to further enhance vigilance toward any possible disorder in any form and stemming from any motive. As a member of the international community, we will be affected by events taking place in other parts of the world, including the recent acts of terrorism in various countries.

BERITA YUDHA says that vigilance is not related to the extent of loss caused by an incident. [passage indistinct]. A tentative conclusion on a possible link between the Jakarta incident and acts of terrorism abroad is a serious warning to us to remain vigilant toward the tense world situation.

SUARA KARYA praises the authorities for quickly giving an official account of the surprising incident to the people. The quick official account was intended to maintain calm and enhance the people's vigilance before any controversial rumors arose. We should fully support an appeal by the armed forces commander and commander of the security and order restoration command to the people to further enhance vigilance in their respective neighborhoods through the neighborhood security scheme. Through our vigilance, we have in fact foiled one of the goals of terrorism.

POS KOTA says that national vigilance is being tested. [passage indistinct]. Of course, we do not want our country to be desecrated by other people, especially undesirable international terrorist groups.

## 'Crude Rocket' Found at USSR Embassy

BK161048 Hong Kong AFP in English 1036 16 May 86

[Text] Jakarta, 16 May (AFP) -- A crude rocket of the type fired at the Japanese and U.S. Embassies here Wednesday has been found in the courtyard of the nearby Soviet Embassy, Jakarta newspapers said Friday.

The projectile, which did not explode, was found by a Soviet Embassy employee early Thursday and was thrown out of the embassy compound, just as a member of the Jakarta Police Security Squad passed by, the reports said.

A police bomb disposal unit was called in to defuse the device and it was then taken to the police laboratory for analysis, the reports said.

A Soviet Embassy spokesman contacted by phone said a package had been found in the embassy grounds, but that it contained firecrackers, "not a bomb."

The SINAR HARAPAN and MERDEKA newspapers, however, quoted a police spokesman as confirming that the retrieved device was roughly of the same type as the crudely made rockets fired Wednesday at the U.S. Embassy and the Japanese Chancery, which is adjacent to the Soviet mission.

Police spokesmen were not immediately available to confirm the report.

Foreign Minister Mokhtar Kusumaatmaja said during a press briefing Friday that U.S. Ambassador Paul Wolfowitz had called on him to discuss Wednesday's rocket attack, in which no damage or injuries were reported. He added that the Soviet ambassador was scheduled to see him Saturday.

Mr Mokhtar also said that the people responsible for Wednesday's embassy attacks "seem to have disappeared."

He said no evidence had been found to lead to the identity of the bombers.

Asked if the attacks and an almost simultaneous car bomb explosion in the car park of a building housing the Canadian Embassy were aimed at the embassies of nations which signed the Tokyo summit declaration against terrorism earlier this month, Mr Mokhtar said "that is one of the theories."

The car bomb, which exploded in the outside car park of the building slightly injuring two people and damaging several cars, could well have caused more serious damage, an employee of the building said.

Building security officials refused to allow the car to park in the basement parking lot because it did not have the required pass, he said.

Had the bomb exploded in the basement it would have probably caused more widespread damage, observers said.

The evening SINAR HARAPAN also reported bomb scares Friday at the American Express Bank in Jakarta and the Jakarta International School, which is attended by children of foreign diplomats and expatriate workers.

The bank and the school had received phone calls warning that bombs had been planted but bomb disposal experts found no trace of explosives at either place, the SINAR HARAPAN said.

## Immigration Official Discusses Explosions

BK161251 Jakarta Domestic Service in Indonesian 1200 GMT 16 May 86

[Text] Parliamentary Commission III [roman three] and the director general of immigration of the Justice Department today discussed the explosions which occurred in several places in the capital some days ago. At the hearing, Director General of Immigration Sularso said that an hour after the blasts, he instructed all immigration offices throughout Indonesia to arrest a foreign national who had been staying at an international hotel in Jakarta. The director general of immigration said that he had not yet received any reports on the departure of the foreigner from Indonesian territory. He admitted, however, that the foreigner may have already left Indonesia as many fake passports are now available. Even developed countries with tight immigration procedures find it difficult to cope with fake passports. The director general of immigration stressed the need for a package of immigration regulations as the basis of the immigration policy in the country.

## Intelligence Chief on Culprits

BK170731 Jakarta ANTARA in English 0644 GMT 17 May 86

[Text] Jakarta, 17 May (ANTARA) -- Intelligence Chief Yoga Sugama said it would be too early to mention a certain country as having to do with the perpetrator of the blasts in Jakarta several days ago.

Speaking at a parliamentary hearing here Friday night, Yoga Sugama said investigations [as received] are still looking for the possible motive of the explosions.

"It would be hard for us to find the culprit without the motivation," he stressed.

However, he refused to [say] anything when asked whether it is true or not that the self-styled anti-imperialists brigade in Tokyo or the extreme groups in the Middle East or in Indonesia have been involved in

the explosions and rocket firings as a reaction to the results of the recent Tokyo summit.

He reminded that in view of the 1987 general elections, in addition to the current unfavourable economic situation, it would be more possible that groups of extreme rightist or leftist leanings will come to the surface in this country.

The intelligence chief also blamed the lack of control by the government apparatuses concerned for the latest social unrests in the country.

As an illustration he pointed to cases of the forced vacation of illegally occupied lands in Jakarta after the occupants had reached too great numbers.

"Why do we have to wait till the number of the occupancs has increased so considerably," he asked the MPs.

With regard to the problems relating to the abortive communist group attempt, Sugama confirmed that men of the communist remnants have been trying to weipe out their traces. [sentence as received]

But the intelligence chief said they were only trying to find a new living environment. "But we have not found any evidence that they are actually trying to consolidate themselves," he added.

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CSO: 4200/1046

INDONESIA

ENERGY MINISTER BRIEFS SUHARTO ON OPEC MEETING

BK271243 Jakarta ANTARA in English 1059 GMT 27 May 86

[Text] Jakarta, 27 May (ANTARA-OANA)--The demand for oil from March to May this year has increased by at least 200,000 barrels a day while offers have decreased by 600,000 barrels per day.

"This indicates an improvement in the oil price on the international market," Minister of Mines and Energy Professor Dr Subroto stated here after reporting to President Suharto on the results of the meeting of five OPEC ministers in Taif Monday.

In spite of that it is adviseable not to expect too much from the improved situation. By this, Subroto meant that the oil price would not immediately return to U.S.$28 per barrel.

It is estimated, though, that by the end of this year the price will be much better than today.

President Suharto stated to me that we must remain cautious though the oil price seems to get better.

Subroto was included to monitor the development of oil price on the international market at the same time trying to increase foreign exchange earnings from non-oil commodities.

Subroto told reporters the increasing demand for oil was caused by the recent low price and the increasing demand for gasoline in the United States as well as the increasing value of the U.S. dollar against other currencies.

This, he said, would raise the production limit at 16.3 million barrels per day in the third quarter of this year and 17.3 million barrels per day in the last quarter.

"It is possible, judging from the present development that in the next OPEC meeting in Yugoslavia on 25 June the oil price and market will become better still," he states optimistically.

To the head of state Subroto reported the results of evaluation by the five OPEC ministers from Saudi Arabia, Kuwait, Nigeria, Venezuela and Indonesia.

They had been commissioned to contact oil producing countries outside OPEC and asked them to cooperate to stabilize the oil price.

They had contacted Malaysia, Mexico, Egypt and Angola. Oman and Brunei Darussalam will be contacted later.

Most of the non-OPEC members agreed to cooperate and to reduce oil production.

"But until today it has not been decided how far they (non-OPEC countries) are willing to reduce their oil production," he added.

OPEC also received support from Norway which had invited Saudi Arabian Minister Zaka Yamani to visit Norway to discuss ways for cooperation.

The Soviet Government had also agreed to help improve the oil price. Meanwhile, China's deputy prime minister stated in Kuwait recently that it was willing to help OPEC.

Now it is only Great Britain which has not given its answer to OPEC call for cooperation, he stated.

"Still, we are convinced that in time Britain will follow suit," Subroto disclosed.

At the end of his meeting with the press Subroto said the oil supply from non-OPEC countries this year totals 29.4 million barrels per day. This figure tends to lower, he concluded.

/12232
CSO: 4200/1089

TALKS WITH PNG FAIL TO REACH AMITY ACCORD

BK281315 Hong Kong AFP in English 1212 GMT 28 May 86

[Text] Jakarta, 28 May (AFP)--The governments of Indonesia and neighbouring Papua New Guinea cut short talks between senior officials Wednesday after failing to reach agreement on a treaty of mutual respect, friendship and cooperation.

"The treaty will be signed hopefully later this year. We have reached broad understanding of important principles and made very useful progress," Papua New Guinea Secretary of Foreign Affairs William Dihm told reporters at a joint press conference after the talks ended a day early Wednesday.

Speaking for the Indonesian side, Foreign Affairs Secretary General Sudharmono described the meeting as "frank and open and useful to both of us." He added jokingly that while he would describe progress as "good" it was up to the press to conclude whether little progress had been made.

Often troubled relations between the two neighbours have improved this year after taking a sharp downswing in 1984 when some 10,000 refugees fled to the Papuan side of their 800 kilometer (500 mile) long border after a small separatist uprising. In the wake of the exodus,

In the wake of the exodus, Papua New Guinea charged the Indonesian military with border incursions and Indonesia accused Papua New Guinea of turning a blind eye to anti-Indonesian Free Papua Movement (OPM) separatists operating on their soil.

Both sides insisted Wednesday that there were not insurmountable problems, but said that because of the broad nature of any such treaty, they needed more time to consult with other government departments.

They said no date had been set for a new meeting, adding that the two governments would use existing channels of communication to work on outstanding problems.

Last week Papua New Guinea diplomatic sources said they had "high hopes" the treaty could be finalized at this week's meeting, which had been scheduled to last through Thursday.

Both delegation leaders said they had also failed to reach agreement on an extradition treaty, under discussion since 1981, but that they definitely expected to exchange military attaches in the third quarter of the year.

Mr Dihm said much of the meeting had been spent explaining to the Indonesian side the ramifications of Papus New Guinea new moves to shift the 10,000 refugees from 17 scattered border camps to two large holding and processing centers further inland.

He said that when processing of all the refugees had been completed "those whom the Papua New Guinea Government judged not to be refugees would be required to return to Indonesia."

Since the refugees fled to the Papua New Guinea side of the border 2 years ago, efforts to repatriate them have failed, and only a few hundred have trickled back voluntarily.

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CSO: 4200/1089

THAILAND

## CHATCHAI ON KHUKRIT, ATHIT TIES; ANTI-PREM SENTIMENTS

Bangkok KHAO PHISET in Thai 5-11 May 86 pp 12-17

[Interview with Maj Gen Chatchai Chunhawan, the deputy leader of the Thai Nation Party; date and place not specified]

[Excerpts] [Question] You went and congratulated ML [royal title--FBIS] Khukrit Pramot on his birthday and told him that you supported his becoming prime minister again. This alarmed the administration. Would you tell us about this?

[Answer] I have known ML Khukrit for a long time. We have known each other for several decades now. But few people know that my father served as a staff officer to ML Khukrit's father-in-law, MC [royal title--FBIS] Thongthikhayu Thongyai, when they served in Prachinburi. ML Khukrit's father-in-law is the father of ML Phakphring. At that time, he was the divisional commander in Prachinburi Province. My father was a staff officer. They lived next to each other. I was 8 or 9 years old at that time. That was around 1930-1931. I used to play with ML Phakphring in the evenings. We went horseback riding together. When she married ML Khukrit, I got to know him quite well.

I campaigned for ML Khukrit when he first ran for election. He ran in Dusit District. I helped him and we became quite close. In 1975, after the election I was the one who suggested that ML Khukrit Pramot be selected to serve as prime minister even though he had only 18 votes. At that time, the Thai Nation Party had 28 votes. We have been close for a long time.

I don't see anything strange in my wishing him well and supporting his becoming prime minister. He has been prime minister before. It's not as if he had never been prime minister before. He's been prime minister before and so there is nothing strange about my wishing him well like this. I would say the same thing in the case of Prime Minister Prem. I would wish him well in serving another term.

[Question] Thus, the rumors that ML Khukrit will become prime minister again are not true. Is that right?

[Answer] That is up to him. Today, everyone is prepared to support him. I have thought about what I said.... I was just wishing him well on his birthday.

But politicians and others feel that this is a possibility. That's the point. People feel this is a possibility. Actually, this should not be an issue. ML Khukrit has expressed his views. I have visited him on his birthday many times in the past and said the same sort of thing. But by chance, people feel that he could help the country now. And so my remarks were printed in the press.

[Question] The timing and situation are right.

[Answer] It may be because the people are tired of the Prem 4 administration. They want a change. The timing just happened to be right. We had not made any plans. I did not know that the leader of my party (Gen Praman Adreksan) would be there that evening. He usually goes in the daytime. But this time he went in the evening, and he happened to come after me. That's the truth. We had not planned that. I am not a politician who schemes like that. I like to speak frankly. Today, the people are tired of the Prem 4 government. I would like to see some changes in order to improve morale. What I said happened to be in line with the feelings of people in general. And so this made the headlines. I have asked people why this became such a big issue. They have all said that this is fine. I don't know why this happened.

[Question] Are you sure that this is an indication that people are tired of the present administration?

[Answer] Yes, I am. The people are experiencing many problems today. There are many economic problems. Businesses are failing, but no one is interested. Several major businessmen have gone bankrupt and others are experiencing great difficulties. But no one is interested. They just hold a meeting of the Joint Public-Private Committee for Solving the Economic Problems. But they haven't done anything to help the economy.

[Question] If there is a political change and ML Khukrit becomes prime minister, do you think that he will be able to do a better job of solving the problems than the present administration?

[Answer] I can't say, because he hasn't had a chance. But the Prem 4 administration is terrible. The economy is falling apart. Things are terrible. This issue arose because of the people, not me. I wished him well just as I have many times before. But it became a major news story this time. ML Khukrit just said "Oh!" But if the country needs him, he is willing. He said the right thing. Personally, I like him very much. I have great respect for him. He is the politician whom I respect the most.

[Question] If that happens, it means that the Social Action Party and the Thai Nation Party would have to take the lead in forming a new government.

[Answer] Because of the nature of politics, the SAP and the Thai Nation Party should unite. Anyone could serve as prime minister. If these two parties joined together, anyone could be prime minister. Prem could be prime minister. Khukrit could be prime minister. But what is unnatural is that a large party such as the Thai Nation Party is now an opposition party. That is not natural. If the Thai Nation and Social Action parties join together, they would have more than 200 votes. There wouldn't be any problems. Prem could be prime

minister for as long as he wanted. There are good people in both parties. The SAP and the Thai Nation Party both have many good people who could govern the country. Khukrit could serve as prime minister. If a large party is kept on the outside, it's only natural that there will be turmoil and change.

[Question] Some say that even if there is a change of government now, the new government won't be able to do anything or solve any of the problems because so little time is left. There are only 10 months left before the next election. Do you agree with this?

[Answer] No, I don't. Steps can be taken to solve the problems. How many of the problems are solved depends on how well we cooperate. Take rice, for example. This problem can't be placed in the hands of commerce alone. This problem concerns the Ministry of Foreign Affairs and the Ministry of Agriculture, too. There is no coordination today. Everyone is doing something different. I think that many problems can be solved in the time remaining. Particularly the matter of creating jobs. But people aren't interested. As I said above, several wealthy merchants have gone bankrupt. But the government did not show any interest and let them go bankrupt. I don't understand how the government could allow them to go bankrupt. When such people go bankrupt it affects the banks, too.

[Question] In your view, should the emphasis be placed on the economic ministries?

[Answer] Yes. Today, the difficulties lie with the economic ministries. There is a lack of coordination and unity, and there is great corruption. There is an unbelievable amount of corruption.

[Question] Would you call this a corrupt government?

[Answer] Definitely. There is brazen corruption. It's disgraceful.

[Question] What will the party do to control the votes and maintain unity?

[Answer] We have a whip. We have party organizations. The various officials coordinate things. There are no problems. The no-confidence motion takes only 65 votes, and many members of government parties support this.

[Question] Are you sure that there will be greater unity than before?

[Answer] I think so. I don't see any problems this time. Politicians are free to speak, think and make decisions. Each person has the right to say what he wants. People can say what they think. In French, "parlia" in the word "parliament" means "to speak." Thus, people in parliament have to speak out. But once the party has passed a resolution, they must act in accord with the resolution.

[Question] Do you think that this no-confidence debate will lead to any political changes or at least a change in ministers?

[Answer] I think so. Changes should have been made before this. That is, when things continue to grow worse, you have to make changes. I think that changes will have to be made very soon.

[Question] With such political turmoil....

[Answer] (Interrupts) I don't see any turmoil. Everyone has made their feelings very clear. The farmers, whom the government has said comprise 80 percent of the population, are experiencing great difficulties. Is the government again going to claim that they aren't experiencing difficulties? Prices haven't improved at all. Ministers have been changed, but I haven't seen any improvement.

[Question] Are you in favor of revising the constitution to have the Speaker of the House serve as the president of parliament?

[Answer] Yes, I support that. It's only right that the highest power of this branch come from the people rather than be appointed by dark power groups. This doesn't mean that I am against anyone. But this should be stopped. This is not 1932 but 1986. Are we going to go through another dark age?

[Question] If the government agrees to revise the constitution in return for not holding a no-confidence debate, would you be willing?

[Answer] There won't be any changes. We stand on the side of the people. We won't make any changes to suit a particular group. That must stop.

[Question] I would like to ask once again, isn't the present political situation ripe for a change?

[Answer] Yes, it is. The situation is so bad that.... There is so much corruption. People are trying to steal as much as they can before the end. We have proof. Wait until parliament convenes.

[Question] Will there just be a cabinet reshuffle or will a new government be formed?

[Answer] I think that a new government will be formed. The time has come.

[Question] But at least the cabinet must be reshuffled, right?

[Answer] If the prime minister is to remain prime minister, there must be a cabinet reshuffle. Otherwise, there is no way for him to remain in office.

[Question] What do you think about the current financial and monetary policies? ML Khukrit is strongly opposed to them.

[Answer] They are very bad policies. ML Khukrit and the Thai Nation Party have always opposed these policies. We opposed limiting credit to 18 percent. We were against devaluing the baht. We have sided with ML Khukrit on these issues. Unfortunately, his party has supported the government. That has embarrassed him. I don't think he could stand it any more and so he resigned

as party leader. That is what I think.
[Question] How would you solve the financial and monetary problems?

[Answer] First, we have to be more frugal. We all have to tighten our belts. The financial and monetary problems are linked to the trade and commerce problems. Certain goods just aren't selling. You can't talk about freedom. Some goods need to be controlled; others don't. But you have to do things honestly. Things are terrible today because of the corruption. They choose particular rice mills. In exporting goods, they choose exporters who are their friends. They rake in the profits. This is the sort of thing that is happening.

All the financial and banking policies are wrong. Put simply, to solve the problems, the present policies all have to be reversed. That would achieve a lot, and it shouldn't be too difficult to do (laughs).

Speaking about economic problems, I want to say that creating jobs is a very important matter. At present, jobs are being created in Bangkok only. People are migrating to Bangkok, which is already overcrowded with a population of 7 million. They get jobs as construction workers and then build slums. This is creating a great problem for Maj Gen Chamlong. What can be done to provide adequate water for daily use? There is adequate electricity now.

I think that one thing that can be done to create jobs in the provinces is to build highways in each province. Each province can be made responsible for the section passing through the province. Projects must be formulated clearly. If there isn't enough money to purchase the land, the owners of the land can be given shares. There are now almost 5 million vehicles in Thailand. Thus, the toll roads in each province could make a profit. And don't forget the laborers, steel, brick, rock, cement and sand here. We wouldn't need to import these things. Thus, the revenues would go to the provinces. Highways could be built from Chiang Rai to Pattani and Betong. This could be done everywhere. This would create jobs for people. What other activities use cash? But if you use a toll road, you have to pay cash or you can't use the road. The users save money and gasoline.

[Question] The Ministry of Finance is trying to say that the financial and monetary problems were created by former administrations. In particular, it claims that the present administration has to bear responsibility for the debts created in the past.

[Answer] That's not the real cause of the problems. Things are getting much worse because of the huge loans that we have taken from Japan. The present minister of finance likes Japan and has borrowed huge sums from the Japanese. The Japanese currency has appreciated 30-40 percent. This makes it very difficult to service the debt. Another 200 merchants who trade with Japan are in danger of going bankrupt. More will go bankrupt at the end of the year. Because instead of using a rate of 13 satang [1 satang equals 0.01 baht] to the yen, the rate is now 15 satang to the yen. I think the situation will just get worse.

[Question] What about the zero growth policy?

[Answer] (Nods) If we don't create jobs, we will have to build prisons. Which do we want to do, create jobs or build prisons?

[Question] What effect will the depressed economic situation have on politics and society in the future?

[Answer] That's difficult to answer. Unless we work together to solve the problems, the situation will become very worrisome. The government has said that we must listen to each other. But I don't think they have ever listened to anyone else. They just spread such propaganda but don't listen to what others have to say. They just listen to themselves. When we submit a good proposal, they are too embarrassed to use it. You can't go against nature.

[Question] In your view, why hasn't the prime minister taken more resolute action to solve the problems?

[Answer] I don't know. He probably doesn't know what is going on. It's difficult for people to see the prime minister. The bigger we are, the more isolated we become. He does not associate with people and is probably fed wrong information.

[Question] Would you talk about the corruption in this administration?

[Answer] Let's wait until parliament convenes.

[Question] But there is much corruption, right?

[Answer] Yes, there is, particularly in the Public Warehouse Organization. They have borrowed money from the banks but haven't been able to repay the money. And so who will have to pay? I am worried about the prime minister. Look at what happened to past prime ministers who came from the military. Field Marshal Phibunsongkhram died in Japan. The property of field marshals Sarit and Thanom was seized. Gen Kriangsak seemed to be safe. But then he left the democratic path and landed in jail for several months. On the other hand, none of the civilian prime ministers has had any problems. Mr Khuang, Luang Thamrong, Seni, Khukrit, Sanya and Thanin did not have any problems. Now it's Gen Prem's turn.

[Question] People on the outside have conflicting feelings. They don't like the way Gen Prem is trying to solve the economic problems. But at the same time, they are confident that Gen Prem can preserve democracy. It must be difficult for Prem to solve the problems. What is your view?

[Answer] I think that he was propped up by three pillars. He himself was one pillar. Khukrit and Athit were the other two pillars. They were like the legs of a three-legged chair. The chair was not very comfortable. It tipped over easily. But now there is only one leg left. If he wants to survive, he will have to find some new supports very quickly.

[Question] Recently, Gen Athit has come to visit you very often. Has some sort of agreement been reached?

[Answer] I and Gen Athit are both soldiers. I was born on a military base. I still feel very close to the military. We have to listen to what the military wants because no government can survive without the support of the military. You can look at history. Governments that have not had the support of the military have survived only a few months.

[Question] The military is now very dissatisfied with the present administration. Will anything happen?

[Answer] Soldiers are just like other people. The people don't like this administration. They are fed up. The soldiers are just like other people except that they wear uniforms. The soldiers are fed up, too. When they return home, their parents and other relatives all complain about how fed up they are. This feeling has spread to the military.

[Question] Do you think that the government's decision not to grant an extension....

[Answer] That is a common matter. I talked to him, and he said that he would do whatever his superiors ordered him to do. He is a good soldier with great discipline. Gen Athit is the son of a soldier, too. We are still very close. Both of us were born into military families. Discipline is ingrained in him. There is no reason to worry. Even though he was not granted an extension, he will still do his best.

[Question] Then you don't think that this will affect the government?

[Answer] No. It won't have any effect. But in every period of Thailand's history, it can be seen that the government must have the support of the military. The military is the most important factor in maintaining government stability. If the military doesn't support a government, the government will collapse.

[Question] Do you think that the next RTA CINC will help maintain government stability?

[Anwer] I think so. I have already discussed that. Let's not talk about a coup. There won't be a coup. I don't think that today's soldiers will do that unless they run out of patience completely. If they feel that the country is headed for disaster, they might take action. I don't know. We shouldn't speculate on what will happen. I try to hold to what is good. I prefer pleasure to suffering (laughs).

[Question] After Gen Athit retires, will you try to get him to join the Thai Nation Party?

[Answer] I have said that the Thai Nation Party was founded for retired

soldiers and government officials who still have energy. If he wants to get involved in politics, he is welcome to join us. Other soldiers have asked him to join. They are close to each other. We will urge him to join.

[Question] In the coming period, will many soldiers join the Thai Nation Party?

[Answer] I think so. As for forming a military party, it would take them a long time to form a new party. It took 12 years for people to get to know the Thai Nation Party.

[Question] If Gen Athit does join the Thai Nation Party, do you think he has the capabilities necessary to become party leader?

[Answer] That is up to the party. We hold elections. We hold an election every 4 years. We are in the process of changing this. Elections will be held every 2 years. This change will probably pass easily. Actually, I favor holding an election every year. People would be more active. As things stand now, people aren't very active.

[Question] Did the prime minister telephone you after the reports appeared about your visit to ML Khukrit?

[Answer] That didn't amount to much. I told him that it's time for a change. It's time to change teams.

[Question] Is that what you told him?

[Answer] Yes, I did. We can't go on like this. This administration has failed.

[Question] What is the prime minister's attitude?

[Answer] I don't know. That is his affair. As friends who have worked together for many years....

[Question] Did he telephone again after that?

[Answer] We telephone each other frequently. Whenever he has a question.... If I feel that something is wrong, I tell him. We are friends. Politics has not affected our friendship. Politics is a matter of position. Nothing more than that. We are still close.

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## PAPER ANALYZES PARTIES' CHANCES IN JULY ELECTION

Bangkok MATICHON SUT SAPDA in Thai 11 May 86 pp 7-9

[Unattributed report: "The Election After the Dissolution of Parliament: Who Will Become Prime Minister?"

[Text] The "parliamentary crisis" on 1 May resulted in the government having to dissolve parliament. This stemmed from the defeat of the Highway Transport Decree by a vote of 143-147. Gen Prem Tinsulanon, the prime minister, said that the reason why this decree was defeated was not that the House of Representatives failed to consider the reasons for drafting this royal decree but rather because of a split within some of the political parties.

A general election will be held on 27 July. Applications can be filed during the period 9-13 June. The budget has been set at 300 million baht. This will be Thailand's 14th general election. This will be a multiple constituencies, individual candidacy type election. The number of MPs will increase from 324 to 347.

The politicians in the various parties, factions and groups are in high spirits once again even though this happened very suddenly. Because when you play politics, you have to be ready at all times. But most of the politicians have already made preparations. Because if parliament had completed its 4-year term, the general election would have been held in just 11 more months. Thus, this is not anything to worry about.

The more important issue is which party to join. The constitution stipulates that all candidates must belong to a political party. Another important factor is that if a person runs for election in the name of a political party, that party must help that person get elected. Because in addition to the person's ideals and campaign funds, the popularity of the political party to which the candidate belongs will help the person in his campaign.

However, of the various political parties that will field candidates in this election, it looks as if the Social Action Party (SAP) will be the big loser. There had been rather serious conflicts within the SAP, and it had been difficult to get people to work together. These conflicts had been brewing for a long time although there had not yet been an open split. But there were clearly cracks. The effects of this became evident during the deliberations on

the royal decree. In the end, the royal decree was defeated because a group of SAP MPs voted against the decree.

As a result of this, the SAP immediately split into two factions. One faction is that of Mr Phong Sarasin. It includes such important figures as Air Chief Marshal Sitthi Sawetsila, Police Cpt Surat Osathanukhro, Mr Chaisiri Ruangkanchonset and about 50 other MPs. The other faction is that of Mr Buntheng Thongsawat, Mr Koson Krairuk and about 40 other MPs.

At the same time, the conflict grew even worse when the group of Mr Phong Sarasin held a meeting and issued a resolution to punish the group of Mr Buntheng Thongsawat for violating political etiquette. Because the SAP is a member of the coalition government and yet these MPs voted with the opposition. They proposed that Gen Prem Tinsulanon, the prime minister, sack Mr Prida Phattanathabut, the university affairs minister; the secretary to the minister; and seven others holding positions in the Office of the Prime Minister. They will also consider punishing the other MPs who voted against the government by not allowing them to run for election in the name of the party.

The group of Mr Buntheng Thongsawat will definitely have to leave the SAP. Recently, there were reports that they intend to join with Mr Boonchu Rotchanasathian, who has formed the Community Action Party. Mr Buntheng has proposed that the small parties join together. This includes the Mass Party of Police Cpt Chaloem Yubamrung, the Citizens Party of Gen Mana Rattanakoset, the Siam Democracy Party of Col Phon Roengprasoetwit and the Community Action Party of Mr Boonchu Rotchanasathian. Thus, the SAP will shrink in size. It will have to look for new candidates to field in the election and do something to attract a large number of MPs.

Looking at what happened in the 1983 general election, the SAP fielded 77 candidates in the central region and won 19 seats. In the south it fielded 36 candidates and won 9 seats. In the north it fielded 52 people and won 26 seats. In the northeast it fielded 90 candidates and won 37 seats. The Thai Nation Party fielded 65 candidates in the central region and won 30 seats. It fielded 18 candidates in the south and one 1 seat. In the north it fielded 34 candidates and won 13 seats, and in the northeast it fielded 75 candidates and won 32 seats. The Democrat Party fielded 51 candidates in the central region and won 10 seats. In the south it fielded 36 candidates and won 25 seats. It fielded 39 candidates in the north and won 9 seats. In the northeast it fielded 68 candidates and won 13 seats.

The Thai Citizens Party fielded 100 candidates in the central region and won 33 seats. In the south it fielded 14 candidates, but did not win any seats. In the north it fielded 26 candidates and won 1 seat. In the northeast it fielded 45 candidates, but did not win any seats. The National Democracy Party fielded 39 candidates in the central region and won 1 seat. In the south it fielded 20 candidates and won 1 seat. In the north it fielded 27 candidates and won 2 seats, and in the northeast it fielded 65 candidates and won 9 seats. The Siam Democracy Party fielded 15 candidates in the central region and won 3 seats. It fielded 11 candidates in the south and won 5 seats. In the north it fielded 18 candidates and won 4 seats, and in the northeast it fielded 51 candidates

and won 6 seats. The Progressive Party fielded 37 candidates in the central region and won 2 seats. In the south it fielded 14 candidates, but did not win any seats. In the north it fielded six candidates and won one seat. In the northeast it fielded 34 candidates, but did not win any seats. The rest were small parties and independent candidates.

The results of past elections provide an indication of which political parties stand to win and how many seats they will win. This can be analyzed as follows:

In the central region, in the past the Thai Nation Party has won more seats than the other parties. For example, it has scored major victories in Suphanburi, Ratchaburi, Ang Thong, Kanchanaburi and Prachinburi provinces. It will probably do just as well this time, because the party has been able to maintain its base of support. And it may pick up votes from other political parties, particularly the Democrat Party. Because today, the party's reputation is growing. But it cannot afford to become careless. Because in the central region, people in general tend to vote for the person rather than the political party.

In the north, the SAP won the largest number of seats in past elections. But this time, because of the defection of Mr Buntheng Thongsawat's group, the SAP will probably lose votes. It is thought that Mr Buntheng Thongsawat's group still has the support of the people in the north. A recent report states that Mr Narong Wongwan intends to split away from the SAP and join Mr Boonchu Rotchanasathian's Community Action Party. This group stands a good chance of winning a large number of seats in the north. The exceptions are the seats of such SAP members as Mr Amnuai Yotsuk and Mr Subin Pinkhayan, who will have to think seriously about their options. Both of these people will probably win election from Chiang Mai Province. People who have split away from other parties will join the Democrat, Social Action and Thai Nation parties. But there will probably be fewer such people in these parties than in the Community Action Party.

In the south, the Democrat Party has always been the big winner in the past. This time, it is expected that the Democrat Party will win 43 seats. The Democrat Party estimates that it will win at least 38 seats. That is probably a rather accurate estimate, because the Democrat Party now has the support of many voters in the south. At the same time, the Democrat Party has become very well known because it has campaigned constantly. It is not likely that it will make a mistake. The SAP used to have many MPs from the south. But in the last general election, only a few of its candidates in the south won election. In addition, the people in the southern provinces are very aware politically and will probably focus on the conflicts within the SAP. Thus, the SAP's prospects in the south are very dim. If it does win any seats in this region, it will probably be the result of voters voting for particular candidates.

The largest number of MPs come from the northeast, and all the parties hope to win big here. But the Thai Nation Party probably has the lead at this point. It has a large number of MPs, and it spends much money. Thus, the chances of the Thai Nation Party look quite good here.

However, the SAP should not be underestimated. It has such a great desire to win in the northeast that Police Cpt Surat Osathanukhro, Mr Phong Sarasin and Mr Chaisiri Ruangkanchanaset have gone there to help campaign. Thus, the SAP is pinning its hopes on the northeast. It will have to spend much money on the election here. Otherwise, it will definitely lose to the Thai Nation Party. Because in the past, the Thai Nation Party has always relied heavily on this factor.

In Bangkok Metropolitan, the Democrat Party now has the best reputation and stands the best chance of winning the election. Neither the Thai Citizens Party nor the SAP has a very good chance of winning here. This is because the factors of these two parties are much weaker than those of the Democrat Party. Only a few individual candidates from these two parties have a chance of winning.

Something worth considering is the statement made by ML [royal title--FBIS] Khukrit Pramot, a man with much political experience. He said that none of the politicial parties will win an absolute majority. That is probably a correct assessment, because none of the political parties has succeeded in building a broad mass base. Moreover, there is very little time to make preparations. The political parties will not have much time to campaign.

This is true even for the Democrat Party, which seems to be gaining in popularity. But actually, it is much better known in Bangkok Metropolitan than it is in the rural areas, where few people follow political movements. The people in the rural areas are interested only in what the government is doing to improve their lives. And the present administration has not been able to do very much for them.

What should not be overlooked are the newly-formed political parties, such as the Community Action Party of Mr Boonchu Rotchanasathian. The trend is for the small and newly-formed parties to join together. In particular, many people who have been MPs are joining this party. Thus, this party stands a good chance of winning seats. Besides this, there is the Progressive Party, which is the hope of idealistic people. It may win a rather large number of seats, particularly if it unites with other parties that have similar policies, such as the Social Democracy Party and the New Force Party.

However, the Democrat Party has a good chance of winning the largest number of seats in this election. It is predicted that it will win at least 100 seats. It will be followed by the Thai Nation Party, the SAP and the Community Action Party, if it joins forces with other parties. The Thai Citizens Party stands to lose ground unless the party leader manages to build up the party's popularity during the election campaign.

What is certain is that no one political party will win an absolute majority. That means that it will be difficult to select one of the party leaders to serve as prime minister. Thus, an outsider will have a better chance of being tapped to serve as prime minister.

In this situation, Gen Prem Tinsulanon has a better chance than anyone else. If the Democrat Party wins the largest number of seats, it is likely that he

will be recommended for this position. Gen Prem is closer to the Democrat Party than any of the other possible contenders for this position.

However, politics and elections change constantly. The success of a particular political party depends on a variety of factors.

Voter Turnout in Parliamentary Elections (General Elections)

| Election No | Date | Method | No of MPs | No of Eligible Voters | Voter Turnout | Percentage |
|---|---|---|---|---|---|---|
| 1 | 15 Nov 33 | IN* | 78 | 4,278,231 | 1,773,532 | 41.45 |
| 2 | 7 Nov 37 | MC | 91 | 6,123,239 | 2,462,535 | 40.22 |
| 3 | 12 Nov 38 | MC | 91 | 6,310,172 | 2,210,332 | 35.03 |
| 4 | 6 Jan 46 | MC | 96 | 6,431,827 | 2,091,827 | 32.52 |
| 5 | 29 Jan 48 | SC | 99 | 7,176,891 | 2,117,464 | 29.50 |
| 6 | 26 Feb 52 | SC | 123 | 7,602,591 | 2,961,291 | 38.95 |
| 7 | 26 Feb 57 | SC | 160 | 9,859,039 | 5,668,566 | 57.50 |
| 8 | 15 Dec 57 | SC | 160 | 9,917,417 | 4,370,789 | 44.07 |
| 9 | 10 Feb 69 | SC | 219 | 14,820,180 | 7,285,832 | 49.16 |
| 10 | 26 Jan 75 | M,SC | 269 | 20,243,791 | 9,559,924 | 47.17 |
| 11 | 4 Apr 76 | M,SC | 279 | 20,623,430 | 9,072,629 | 43.99 |
| 12 | 22 Apr 79 | M,SC | 301 | 21,283,790 | 9,344,045 | 43.90 |
| 13 | 18 Apr 83 | M,SC | 324 | 24,224,470 | 12,295,339 | 50.76 |

| Election No | Province with largest voter turnout | Percent | Province with Lowest Voter turnout | Percent |
|---|---|---|---|---|
| 1 | Phetchaburi | 78.82 | Mae Hong son | 17.71 |
| 2 | Nakhon Naiyok | 80.50 | Mae Hong Son | 22.24 |
| 3 | Nakhon Naiyok | 67.36 | Trang | 16.28 |
| 4 | Buriram | 54.65 | Suphanburi | 13.40 |
| 5 | Ranong | 58.69 | Samut Prakan | 15.68 |
| 6 | Saraburi | 77.78 | Bangkok | 23.30 |
| 7 | Saraburi | 93.30 | Suphanburi | 42.46 |
| 8 | Ranong | 73.00 | Udon Thani | 29.92 |
| 9 | Ranong | 73.95 | Bangkok | 34.66 |
| 10 | Phuket | 67.88 | Phetchabun | 32.18 |
| 11 | Nakhon Phanom | 63.53 | Phetchabun | 26.64 |
| 12 | Yasothon | 77.11 | Bangkok | 19.45 |
| 13 | Yasothon | 79.62 | Bangkok | 32.57 |

[* IN equals indirect; MC equals multiple constituencies; SC equals single constituencies; M,SC equals mixed multiple, single constituency type election]

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## PUBLIC AWARENESS OF PARTIES, CANDIDATES IN ELECTION ANALYZED

Bangkok SIAM RAT SAPDA WICHAN in Thai 18 May 86 pp 22-27

[Unattributed report: "The Political Parties and the Election"]

[Excerpts] Since 1932, Thailand has had 13 general elections. This will be the 14th election. The general election on 27 July will be the same type of election as that held in 1983, that is, it will be a multiple constituencies, individual candidacy type election. The only difference will be that candidates will be required to belong to a party. They cannot run as independents. Also, political parties that field candidates must field candidates for at least half of the 347 seats in the House of Representatives.

However, statistics on previous elections show that in a multiple constituencies, individual candidacy type election, candidates from a number of different parties are elected, and, therefore, no single party can win an absolute majority. This is because the voters still tend to vote for the individual rather than the party.

In order to show this more clearly, SIAM RAT SAPDA WICHAN would like to present excerpts from a research report on the 18 April 1983 election that was prepared by the Local Administration Department, Ministry of Interior. We have excerpted only those sections concerning voters and political parties.

### Vote for Individuals Rather Than Political Parties

The Local Administration Department interviewed a random sample of 5,833 voters in 20 provinces following the election. A total of 51.7 percent said that they voted for the individual; only 26.9 percent said that they voted for the political party. Also, 20.2 percent voted for both the individual and the party.

More people in the south and in Bangkok voted for the party than did people in other regions. Also, more people voted for the party than for the individual or both. That is, 55.3 and 51.5 percent in the south and Bangkok respectively voted for the party; 22.3 and 29.3 percent voted for the individual. A total of 22.1 and 18.5 percent voted for both.

The percentage of people who voted for the party was highest in the south. Also, the south had the lowest percentage voting for the individual. In Bangok, the percentage who voted for both the individual and the party was lower than in the other regions. In the central region and the northeast, the percentage of people who voted for the individual was higher than the percentage who voted for the party or for both. That is, the percentages were 53.8, 64.3 and 76 percent respectively [as published].

The central region had the highest percentage who voted for both the individual and the party, 27.8 percent. In the north, the percentage who voted for the party, 14.2 percent, was lower than in the other regions.

People 20-29 Years Old Tended To Vote for the Political Party

The percentage of respondents who voted for the party was related to age. That is, 29.9 percent of those age 20-29 voted for the party. The percentage declined with age, that is, 28.7 percent for those age 30-39 and 17.6 percent for those age 70 and above.

Conversely, the percentage of those who voted for the individual tended to increase with age. That is, 45.2 percent of those age 20-29 voted for the individual. This increased to 48.4, 52.4, 58.2, 60.0 and 68.9 percent for those age 30-39, 40-49, 50-59, 60-69 and 70 and above.

The percentage who chose both the party and the individual was highest among those age 20-29 and 30-39, that is, 23.4 and 21.7 percent respectively. The percentage for those aged 40-69 varied between 18.1 and 19.2 percent. Only 13.5 percent of those age 70 and above chose both.

More women than men, 58.7 percent as compared with 46.8 percent, voted for the individual. The percentage of women who voted for the party was less than that for men, 22.6 as compared with 29.9 percent. The same was true for the those who chose both, 17.1 percent as compared with 22.5 percent.

The People Are Very Unfamiliar With the Political Parties

When voters were asked to name the parties that they knew about, 21.4 percent could not name even one political party. In the north, 45.9 percent could not name any political party. This was followed by the northeast and the central region, where the percentages of voters who could not name even one party were 26.5 and 16.5 percent repectively. The south and Bangkok Metropolitan had the lowest percentages, 8.9 and 3.0 percent respectively.

On the average, voters knew the names of about three political parties. On the average, people in Bangkok knew the names of 4.5 political parties. This was followed by an average of 3.0 and 2.8 in the central and southern regions respectively. The average figure was lowest in the northeast and north, 2.3 and 1.6 respectively.

By age, the percentage who did not know the name of even one party ranged from 15.2 percent to 45.9 percent. The percentage was lowest among people in the 20-29 age group and increased with age. It was highest among those age 70 and above.

The number of parties known to voters varied by age, with the value ranging from 1.9 to 3.3 parties. Voters in the youngest age group knew the names of 3.3 parties on average. This value fell for successive age groups. It was lowest for those age 70 and above, who knew the names of approximately 1.9 political parties on average.

The percentage of women who could not name a political party was higher than that for men, 31.5 percent for women as compared with 14.4 percent for men. On the average, women knew the names of 2.1 parties. Men knew the names of 3.1 parties.

The Social Action Party Was the Most Well-Known Party

Interviews with 5,081 voters on the names of political parties with which they were familiar showed the following:

The party named by the largest percentage of respondents was the Social Action Party, 71.1 percent. This was followed by the Democrat Party, 58.4 percent, and the Thai Nation Party, 51.1 percent. The Thai Citizens Party was fourth with 38.4 percent.

Only one other party was known by more than 10 percent of the respondents, the National Democracy Party, which was named by 17.6 percent of the respondents. The remaining political parties were known by fewer than 10 percent of the respondents. The percentages for the New Force, Progressive and Siam Democracy parties were 9.4, 7.2 and 5.9 percent respectively. For the Free Peoples and Thai Peoples parties, the percentages were 3.8 and 3.0 percent respectively. Only 1.5 and 1.0 percent of the respondents knew the Social Democracy and Thai Mass parties. Fewer than 1 percent of the respondents knew the Pracharat, Sahachat, Labor Democracy and Seri Niyom parties. The percentage for the Seri Niyom Party was the lowest of all the parties.

In the South, the Democrat Party Was the Most Well-Known Party

The percentage of people who knew the names of political parties was highest in Bangkok Metropolitan. In Bangkok, the Thai Citizens Party was the most well-known party. It was known by 92.4 percent of the respondents. This was followed by the Social Action Party, 90.0 percent; the Democrat Party, 89.2 percent; the Thai Nation Party, 67.5 percent; the National Democracy Party, 44.3 percent; the New Force Party, 29.6 percent; and the Progressive Party, 12.8 percent. The percentages for the other parties ranged from 0.0 to 8.1 percent. None of the respondents knew the Sahachat Party.

In the central region, 77.5 percent of the respondents knew the name of the Social Action Party. This was followed by the Thai Nation Party, 64.7 percent; the Thai Citizens Party, 59.5 percent; the Democrat Party, 55.6 percent; the National Democracy Party, 17.0 percent; and the New Force and Progressive

parties, each with 8.3 percent. The percentages for the other parties ranged from 0.4 to 5.1 percent.

In the north, 47.6 percent of the respondents knew the name of the Social Action Party. This was followed by the Democrat Party, 43.3 percent; the Thai Nation Party, 30.0 percent; the Thai Citizens Party, 15.8 percent; and the National Democracy Party; 9.6 percent. The percentages for the other parties ranged from 0.1 to 4.1 percent.

In the northeast, 69.2 percent of the respondents knew the name of the Social Action Party. This was followed by the Thai Nation Party, 60.0 percent; the Democrat Party, 32.8 percent; the National Democracy Party, 17.8 percent; and the New Force and Progressive parties, 9.1 percent each. The percentages for the other parties ranged from 0.3 to 5.7 percent.

In the south, 90.3 percent of the respondents knew the name of the Democrat Party. This was followed by the Social Action Party; 79.9 percent; the Thai Nation Party, 34.0 percent; the Thai Citizens Party, 28.8 percent; the National Democracy Party, 15.0 percent; the New Force Party, 11.3 percent; and the Progressive Party, 6.5 percent. The percentages for the other parties ranged from 0.6 to 4.9 percent.

Northeasterners Attended Campaign Rallies the Most

For the 18 April 1983 general election, it was learned that 75.0 percent of the respondents had not attended a campaign rally for either a candidate or a party. It was found that 16.2 percent of the respondents had attended a campaign rally of a candidate, 3.0 percent had attended a campaign rally of a party and 5.8 percent had attended campaign rallies for both a candidate and a party.

Of those who had attended a campaign rally, 20 percent felt that what was said at the rally was true, 58 percent felt that what was said was mostly untrue, 6.4 percent felt that everything said at the rallies was untrue and 16.0 percent had no opinion.

The percentage of respondents who attended campaign rallies was highest in the northeast, 69.3 percent. This was followed by Bangkok Metropolitan, 65.2 percent. In the central region, the south and the north, the percentage of respondents who did not attend a campaign rally were 73.0, 82.1 and 86.6 percent respectively.

Most respondents who attended a campaign rally attended the rally of a candidate rather than the rally of a political party. When respondents were asked whether they believed what they had been told at the rally, it was found that the percentage of respondents who did not voice an opinion and who believed what they had been told was highest in the south, that is, 29.4 and 35.8 percent respectively. The percentage of southerners who felt that they could believe some of what they had been told and who did not believe what they had heard was lower than that for respondents in the other regions, that is, 33.0 and 1.8 percent respectively.

The percentage of respondents who felt that they could believe some of what they had been told was highest in the central region, that is, 56.7 percent. The percentage of respondents who felt that what they had heard was untrue was highest in the northeast, that is, 10.7 percent.

Views of Candidates on Campaigning

A total of 1,880 candidates ran for election in 1983. Candidates were interviewed on the campaign methods most popular among voters. A total of 64.8 percent said that most people liked to be given goods and money; 33.8 percent said that the people liked personal contact with the candidate; 9.7 percent said that the people liked to listen to speeches; 4.9 percent said that the people liked some other method; 4.1 percent said that the people liked several methods; and 0.7 percent declined to answer the question.

The views of candidates who were elected differed significantly from those who were defeated in the election. That is, 50.8 percent of those who were defeated felt that the people preferred to be given goods and money, 31.9 percent felt that the people liked to be contacted personally and 8.8 percent felt that the people liked to listen to speeches. On the other hand, 47.3 percent of the candidates who won election felt that the people liked to be contacted personally, 17.6 percent fel that the people liked to be given goods and money and 16.2 percent felt that the people liked to listen to speeches.

When grouped by age, it was found that the percentage of candidates who felt that the people liked to be given goods and money ranged from 31.3 to 50.0 percent. This varied by age. The percentage was lowest among those age 65 and above and highest among those age 36-45. Similarly, the percentage who felt that the people liked to be contacted personally ranged from 25.0 to 42.9 percent. The percentage was highest among those age 25-35. It was lowest among those age 65 and above. The percentage of those who felt that the people liked to listen to speeches ranged from 7.4 to 18.8 percent. The percentage was lowest among those age 36-45 and highest among those age 65 and above.

Summary of the 1983 Election

This report concluded that the hypothesis that voters in the 1983 election voted for the individual rather than the political party was true and in line with the facts. The report stated that the "data collected show that in the period just prior to the election, 53.6 percent of the people were interested in voting for an individual. Only 27.0 percent said that they would vote for the party. The results of the study done immediately after the election support this hypothesis. A number of people who had voted and candidates were interviewed. Most voters, 51.7 percent, said that they had voted for the individual. Only 26.9 percent said that they had voted for the political party."

As for the candidates, statistics show that 66.3 percent were independent candidates and that 33.7 percent had belonged to one or more political parties. However, when divided by success in the election, it was found that only 16.2 percent of those who ran for election in the name of a political party were elected; 83.8 percent were defeated.

Those are the conclusions for the 1983 election, in which candidates could still run as independent candidates. But in the election on 27 July 1986, candidates must belong to party. And the parties must field at least 179 candidates. Thus, the results will be somewhat different. But what is certain is that no single political party will win an absolute majority.

Number of Candidates in the 18 April 1983 Parliamentary Election

A total of 1,880 candidates ran for election. The candidates can be classified as follows:

By sex:

Male: 1,826 candidates
Female: 54 candidates

By region:

Central region: 585 candidates for 109 seats
South: 217 candidates for 41 seats
North: 338 candidates for 64 seats
Northeast: 740 candidates for 110 seats

By age:

Age 25-29: 104 candidates
Age 20-39: 393 candidates
Age 40-49: 690 candidates
Age 50-59: 446 candidates
Age 60 and above: 247 candidates

By education:

No formal education: 6 candidates
Grade 1-4 education: 87 candidates
Grade 5-7 education: 49 candidates
Lower secondary education: 324 candidates
Upper secondary education: 160 candidates
Certificate or teaching credential: 133 candidates
Completed vocational school: 74 candidates
Diploma: 36 candidates
Bachelor's degree: 676 candidates
Master's degree or higher: 150 candidates
Other: 117 candidates
Declined to answer: 68 candidates

Comparison of Voter Turnout in 1979 and 1983 by Region

| Region | Date of Election | Percent |
|---|---|---|
| Bangkok | 22 Apr 1979 | 19.45 |
| | 18 Apr 1983 | 32.57 |
| Central Region | 22 Apr 1979 | 40.12 |
| | 18 Apr 1983 | 41.24 |
| East | 22 Apr 1979 | 37.83 |
| | 18 Apr 1983 | 46.70 |
| South | 22 Apr 1979 | 41.52 |
| | 18 Apr 1983 | 52.39 |
| North | 22 Apr 1979 | 48.35 |
| | 18 Apr 1983 | 49.68 |
| Northeast | 22 Apr 1979 | 53.06 |
| | 18 Apr 1983 | 60.52 |

| Name of Party | Percent Knowing Party | Percent Not Knowing Party |
|---|---|---|
| Social Action | 54.4 | 45.6 |
| Democrat | 50.7 | 49.3 |
| Thai Citizens | 39.4 | 60.6 |
| Thai Nation | 31.9 | 68.1 |
| National Democracy | 12.5 | 87.5 |
| New Force | 9.2 | 90.8 |
| Progressive | 4.8 | 95.2 |
| Siam Democracy | 3.1 | 96.9 |
| Thai Peoples | 2.0 | 98.0 |
| Social Democracy | 2.0 | 98.0 |
| Free Peoples | 1.3 | 98.7 |
| Thai Mass | 0.7 | 99.3 |
| Pracharat | 0.6 | 99.4 |
| Seri Niyom | 0.4 | 99.6 |
| Sahachat | 0.1 | 99.9 |
| Labor Democracy | 0.0 | 100.0 |

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FURTHER REPORTAGE ON UPCOMING ELECTION

## Academic on Spending, Elected Premier

Bangkok KHAO PHISET in Thai 19-25 May 86 pp 26, 27

[Interview with Associate Professor Kroekkiet Phiphattanaseritham, the vice rector for academic affairs, Thammasat University: "A Look at Election Battles From 1975 to 1986"; date and place not specified]

[Excerpt] [Question] From following the past three to four general elections, at what conclusions have you arrived?

[Answer] In 1975, I think the people were very aware because of the events of 14 October 1973. The ideological forces began to play a larger role. The liberal parties gained the confidence of the people.

In 1976, parliament was dissolved and a new election was held. The political tide moved to the right. Much more money was spent. Many new MPs were elected.

In 1979, the political current moved even farther to the right. Even greater sums of money were spent on the campaign. The liberal parties took a beating. For example, the Democrat Party won only 30 seats.

In the 1983 election, the use of large sums of money was widespread. Based on 1979 statistics, studies showed that 20 percent of the candidates involved in close election races used money to buy votes. The role played by money was particularly important in the central, northern and northeastern regions. In 1983, turnover among MPs was 60 percent. There were several reasons for this. But that was good.

In short, if elections are held frequently, much money will be spent on the elections and the amount spent each time will probably increase. The money spent on elections can be divided into two categories. First, money is spent on filing for candidacy, on technology, on campaign advertisements and on conducting polls to understand the problems of the people. Such expenses will continue to increase. Second, money is spent on buying votes. But this is declining. I think that 90 percent of the MPs chosen by the people will be good MPs. In general, parliament has a good image.

[Question] Do you think that the prime minister should run for election? How likely is this?

[Answer] Usually, the prime minister serves to coordinate things. It would be even better if he were an MP. But you must understand that our prime minister faces a situation that is different from that found in other countries. The Thai prime minister must be accepted by: 1. the monarchy, 2. the military, 3. the political parties, 4. the people, and 5. other countries. At present, Prime Minister Prem is accepted by all five. Besides this, he is thoughtful, cautious, not overly ambitious, and honest, which are the qualities needed to be prime minister.

[Question] What do you think Gen Athit will do in this election?

[Answer] He already said that he wouldn't run, right? You can't expect me to guess his intentions. I don't think it would be in his best interests to run. It would be better for him to continue in his present position. If he joined a party and that party did not do well in the election, he wouldn't gain anything. If he stays put for now, he still has some hope.

[Question] Do you think that Gen Athit has a chance of becoming prime minister?

[Answer] Gen Athit is not as thoughtful and cautious as Prime Minister Prem. And don't forget that the Thai prime minister must be accepted by the five groups mentioned above. Does Gen Athit have the approval of all five? At present, Prime Minister Prem has the advantage. If Gen Prem joined the Democrat Party and ran for election in Korat, the Democrat Party would have a good chance of winning a majority of the seats. If Gen Prem wants to be prime minister again, that is very possible. If that is what he wants. I think that we will have another coalition government composed of two or three large parties.

[Question] What do you think about the situation in Thailand?

[Answer] I think that the situation here is all right. There is still a stalemate in the military. That is, the military factions balance each other. Nothing has happened, and I don't think anything will.

## Police on Security Measures

Bangkok KHAO PHISET in Thai 19-25 May 86 pp 27-29

[Unattributed report: "27 July 1986, a Bloody Election: the Police Department Looks at the Files on Influential Politicians"]

[Excerpts] A study made by police officials shows that the number of political murders increases sharply during campaign periods. Since 1983, the number of cases has increased every year. About 100 election canvassers and 10 MPs have been murdered. About 30 percent of the murders concerned conflicts over political interests. The other 70 percent of the cases concerned conflicts over business interests. Also, most of these people were people who had

influence in the area. They were killed because of conflicts of interest. These influential people used politics as a shield. But some of them were not successful in protecting themselves. However, some people are still using politics to protect themselves.

At present, the Police Department is very concerned about these killings. Many of the cases were politically motivated. In particular, an election has been set for 27 July and so the political parties and politicians are out campaigning today. Many influential people have escaped the hand of the law and joined a political party. Besides this, some of these people are trying to protect themselves from their enemies by relying on politics. For this reason, the Police Department is worried that there will be more killings this year than ever before.

Special Branch Police Open the Political Files of Politicians Throughout the Country

A news source from the Special Branch Police said that last week, Police Maj Gen Kasem Saengmit, the commander of the Special Branch Police, sent an urgent order to Police Precinct 2 ordering it to monitor political activities closely through 27 July, election day. The campaign activities must be monitored closely, because it is feared that politically motivated murders will be committed during the campaign. From coordinating things with the suppression sector, it has been learned that many murders are committed during election campaigns. Thus, officials are worried that there will be more killings this year than ever before.

Besides this, Precinct 2 has looked at the files on all past cases and run background checks on all the candidates. They have checked to see in what business activities they have been engaged in the provinces where they are running for election. The Special Branch Police is also coordinating things with district and provincial officials in checking the background of each candidate. This is being done in order to maintain security. And if something does happen, police will have grounds for suspecting whether the case stemmed from political motives or whether business or other interests were the cause.

On election day, the police will employ about 100,000 policemen to maintain security. The Police Department had already formulated a plan for use during the 1987 election. But because parliament was dissolved, this plan will be used sooner than expected. At present, officials are holding meetings to discuss this in order to be prepared to take immediate action.

Pro-Athit Party Leader on Poll

Bangkok KHAO PHISET in Thai 19-25 May 86 pp 30-34

[Interview with Police Cpt Chaloem Yubamrung, the secretary general of the Mass Party; date and place not specified]

[Excerpts] [Question] The Mass Party has attracted many soldiers, who are now active in politics in the name of the Mass Party. Have you had talks with Gen Athit Kamlangek?

[Answer] Personally, I respect Gen Athit. But I have never contacted him on political issues or coordinated political activities with him. However, based on the political line of the Mass Party, we are allies of the military. One of our rules is that the military will watch when politicians argue. We should stay out of the affairs of the military. Politicians become upset when soldiers talk about political matters and say that soldiers should stay out of politics. By the same token, politicians should stay out of the military's affairs. Soldiers could say that politicians interfere in military matters. For example, Minister Surat Osathanukhro said that soldiers were supporting the effort to topple the government. That was a very irresponsible statement. What would they have gained by supporting those trying to defeat the royal decree? Nothing. The royal decree was defeated because the MPs were opposed to it. If they have evidence that someone was behind this, they should inform the prime minister. The government officials responsible could be discharged for interfering in administrative matters. That could be done.

[Question] There have been reports that Gen Athit was behind the vote-buying. Are you convinced that these reports are not true?

[Answer] I know that they aren't true. Gen Athit was not involved in this matter at all. I am not personally close to Gen Athit. Anyone with an ounce of brains knows that when a person does something, he expects to profit. If you don't stand to gain anything, why would you take action? The government refuses to accept this and so they are blaming this and that person.

[Question] Between Gen Prem and Gen Athit, whom would you support for the position of prime minister?

[Answer] Personally, Gen Prem is an honest man. But he lacks administrative skills. Between these two men, I would support Gen Athit.

[Question] You used to support Gen Prem. Has Gen Prem really become so incompetent or is there some other reason why you no longer support him?

[Answer] Actually, I don't think that Gen Prem has a good grasp of the facts. He relies on reports by those close to him. As villagers would say, he is merely window dressing. Thus, trying to solve the problems without having a good grasp of what the problems are just creates more problems. When the prime minister goes on an official inspection in the provinces, those near him handle everything in order to create a comfortable atmosphere. During the 6-7 years that he has been in office, he has not achieved any tangible results.

While he is personally a very honest person, that does not mean that those near him or others are honest. Thus, I can't support him any longer as prime minister.

[Question] On the other hand, many people may not accept Gen Athit because he is not thoughtful or cautious....

[Answer] I think that the Thai people like a person who is resolute and who dares to speak out and act. The Thai people want a person who is open and who

will get angry but forgive easily. That is better than someone who refuses to say anything. No one knows what such people are thinking or what they will do. That is suitable for a subordinate. If the leader of the administration is so withdrawn and cautious that he doesn't do anything, problems will arise in the country.

I think that Gen Athit is a very frank person. I think that is more normal and that this is more in line with the character of the Thai people.

[Question] It looks as if the Democrat Party will win more seats than any other party. Do you think that the leader of a political party, such as Mr Phichai Rattakun, will become prime minister?

[Answer] He is ready to serve as prime minister. He has done a good job. I agree that Mr Phichai is an astute person. However, the Democrat Party is not yet as perfect a political party as are other parties. They claim to be an open party. But actually it is a very provincial party. We can't join it.

[Question] Do you mean that if the Democrat Party takes the lead in forming a government, the Mass Party won't join and will remain an opposition party?

[Answer] Yes. We are prepared to be an opposition party in that case. We can't cooperate with them politically because our political lines are different.

[Question] Even if they offered you a ministerial position....

[Answer] There is no possibility of our cooperating with them.

[Question] What about the Thai Nation Party?

[Answer] The Thai Nation Party plays politics openly. And in playing politics, it creates a calm political atmosphere. It doesn't want to create enemies or divisions. We could cooperate with this party.

[Question] The party of Mr Samak Sunthonwet gets along all right with the Mass Party, right?

[Answer] There aren't any problems. Mr Samak Sunthonwet is a politician whom I respect. Nothing has changed. I still respect him. Like me, he isn't afraid to take action. The only thing is that I haven't had a chance to show that I am not afraid to take action.

[Question] In short, the political game is now a contest between Prime Minister Prem and Gen Athit, is that right?

[Answer] That's a little too strong. Gen Athit once said that he would run for office after he retires. That is, if parliament had not been dissolved, he would have run in 1987. But parliament was dissolved. This is a transition period, and security could be affected. Thus, he will stay in the military. He will retire from the military a few days after the election is over and a government has been formed.

[Question] During Prem's 90 days, do you think that Prem will be able to take any action or set any deadlines that will enable him to become prime minister again.

[Answer] I don't think so. During the 30 days left, or after that, he can clean up things. There's plenty of time left.

[Question] Do you think that the next prime minister will be a non-partisan figure or the leader of a political party?

[Answer] Unless a political party manages to win an absolute majority, the prime minister will be a non-partisan figure who is acceptable to several parties. If a political party wins over 100 seats, the leader of that party should be prime minister. As an MP, I would like the prime minister to be an elected official. However, the constitution does not require that the prime minister be elected. This is because the situation can change so rapidly here.

[Question] Is Gen Athit suited to serving as the next prime minister?

[Answer] I think he is, but I don't know if the political parties would agree with me on this. If the political parties agree, he has the right to become prime minister. Today, the Thai people want someone new. They want to see if someone else can do a better job. Things have just gotten worse under the present administration. Anyone could become prime minister except Gen Prem. I think that the Thai people will have new hope after Gen Prem leaves. If Prem becomes prime minister again, the morale of the people will suffer. They are tired of him. He hasn't accomplished anything. He is not an open person. He won't even say anything.

[Question] How confident are you about this election? How many seats will the Mass Party win?

[Answer] I can't give you my personal view. In the view of the party and its 20,000 members, the Mass Party should win at least 30 seats. As for the possibility of winning 40-50 seats, we will be able to make a better estimate as the day of the election draws closer. We are a small party that will grow gradually. We do not have any financiers in the party. We are a party of scholars and activists. We don't expect too much.

[Question] How are candidates selected?

[Answer] The Mass Party has approximatley 20,000 members nationwide. In each region, committees screen and select candidates by considering the recommendations of the members in each area and region. We have made preparations in the north, south, northeast and Bangkok. We are 70-80 percent prepared. If a province has fewer seats than candidates, we let the candidates decide whom to choose. For example, Chainat has two MPs, but there were five candidates. We let the five candidates decide whom to choose.

We are now making preparations to examine the qualifications and backgrounds of people and their popularity among the people. The reason why we are having more trouble than other parties in finding candidates is that we are a new

party and we lack funds. People aren't coming in droves to support us. In my view, if a political party is concerned about money and interests, it won't get anywhere. But something could happen all of a sudden. Compared with how a tree grows, that is unnatural.

[Question] From what groups and occupations do your candidates come?

[Answer] Our candidates must be interested in politics. They have various occupational backgrounds. There are civilian government officials, policemen and soldiers, merchants and farmers. They are chosen based on local needs. In agricultural areas, we choose people who are well known. In some areas we have to alternate. There are farmers, former subdistrict chiefs and village headmen and former provincial council members. There are former military and police officers. Each area is different. It depends on what is most suitable.

[Question] The constitution stipulates that a party must field at least 174 candidates. Will the Mass Party have to hire candidates to meet this requirement?

[Answer] The Mass Party is not in such dire straits that it has to hire candidates. We do admit that our candidates in some areas have a very small chance of winning. But we haven't hired people to run. The Mass Party was established only recently. But our regulations are different from those who have established a party by buying a party leader. They don't have a good political base among the people. That is, they don't have any background in politics and yet they want people to support them. Politically, this is unusual.

[Question] As for the government officials, soldiers, policemen and others who will stand as candidates, you once said that people would not be disappointed with your candidates. Would you tell us who they are?

[Answer] As for those who will engage in politics with us, some work in state enterprises. Some are regular government officials. Some are military officers in charge of departments. There are former police officers who are still working in important units. Some work for the Office of the Commission to Counter Corruption. Besides this, there are also experienced politicians such as Thammanun Thianngoen and Ophat Thamwanit. And there are several old friends from the Democrat Party. One of the regular government officials is Lt Gen Sumon Sukonsenni, the chief of the Secretarial Department. He will resign his commission.

[Question] How many MPs from the previous term will join the Mass Party?

[Answer] Those who will definitely join us are Sawat Khotseni, Sophon Phetsawang, Phairot Tiyawanit, Phichit Thirattanan and Thanong Siriprichaphong. There are several others who will join us, some of whom are older and some of whom are my age.

[Question] Will Mr Chongchai Thiangtham join the party?

[Answer] I have not yet talked with him. Personally, I like and respect him. But I have not talked with him about his plans. I will probably talk with him in the near future.

## MOI Predicts Turnout, Sets Funding

Bangkok SU ANAKHOT in Thai 14-20 May 86 p 7

[Unattributed report: "Ministry of Interior Expects 50 Percent Turnout for the General Election on 27 July"]

[Text] On 7 May at the Ministry of Interior, Mr Khamron Bunchoet, the director of the Central Division, Office of the Under Secretary of Interior, issued a statement about the results of the Ministry of Interior meeting held on 7 May. He said that those at the meeting, which was chaired by Gen Sitthi Chirarot, the minister of interior, discussed preparations for the general election on 27 July.

At the meeting, Mr Chalong Kanlayannamit, the director-general of the Local Administration Department, said that every province has made preparations for the election. The budget for the 1987 general election had been set at 300 million baht. However, approximately 240 million baht will be spent on this election. This is 41 million baht more than was spent on the general election held on 18 April 1983.

The Ministry of Interior hopes to have a voter turnout of at least 50 percent. Its objective is to keep the number of bad ballots below 3 percent.

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MILITARY AFFAIRS AND PUBLIC SECURITY VIETNAM

## ARMY NEWSPAPER CALLS FOR GOOD DRAFT REGISTRATION

Hanoi QUAN DOI NHAN DAN in Vietnamese 16 Mar 86 pp 1, 4

[Editorial: "Carry Out Military Obligation Registration Well"]

[Text] Implementing the military obligation law, every April since 1982 the districts, precincts, cities, and municipalities in the provinces have carried out the military obligation registration of enlistment-eligible people at their echelons.

Model registration campaigns have been organized in Hai Ba Trung Ward and Phuc Tho District in the municipality of Hanoi and in Mai Chau District, Ha Son Binh Province, in 1982; in Vu Ban District, Ha Nam Ninh Province, in April 1983; in Quoc Oai District, Ha Son Binh Province, in December 1983; in Go Vap District, Ho Chi Minh City, and Trieu Son District, Thanh Hoa Province, April 1984; and Thach That District, the municipality of Hanoi, in March 1985. All affirmed that the military obligation registration of people who are eligible for enlistment as stipulated by the military obligation law is entirely correct, and brought about good results. The method of carrying out registration is tightly managed, scientific, and economical.

After witnessing the model registrations, all military commanders of districts, district, cities, and municipalities under provinces agreed that they could be carried out and carried out well. Learning from the experiences of the model registrations, many localities, such as Ha Nam Ninh Province, the municipality of Hanoi, Ha Son Binh Province, and the provinces of Military Region 7 carried out professional supplementation, organized implementation at the provincial level, and began to attain good results.

The military obligation registration of enlistment-eligible people at the level of district, precincts, cities, and municipalities is the most comprehensive registration phase. Giving physical examinations to enlistment-eligible people is a content of military obligation registration and, carried out simultaneously with the registration, helps the military obligation councils correctly evaluate each person's quality and helps the heads of the public health bureaus of the districts, precincts, cities, and municipalities directly under provinces draft disease prevention and treatment plans in order to create conditions for young men to be sufficiently healthy to fulfill their military obligations.

In order to do a good job of carrying out military obligation registration for enlistment-eligible people at their echelon, the districts, precincts, cities, and municipalities directly under provinces must do a good job of guiding registration at the basic level, draft plans, set the registration time and disseminate it to the basic level and to each family and person who must register, while organizing propaganda, education, and proselytizing so that citizens can clearly understand their obligations and voluntarily register.

In addition to stipulating the responsibility of citizens of military obligation age to register, the military obligation law and criminal law also stipulate that state organs and sectors are responsible, within the sphere of their authority, for coordinating with the military organs at their level in registering and managing enlistment-eligible people and reservists. Therefore, when carrying out registration it is necessary to pay all-out attention leading, guiding, and creating positive, all-round activities by the sectors.

Only with good military obligation registration is it possible to firmly grasp the numbers and quality of enlistment-eligible people, only then can there be a basis on which to draft plans for calling up people scientifically and accurately, only then can there be sufficient factors for validating everyone before calling them up, and only then can the registration be carried out fairly and reasonably.

To strictly carry out registration is to strictly implement the military obligation law. Registration in accordance with the stipulations with the law is carried out in accordance with a scientific method, is inexpensive, and is accurate. In the course of 4 years of carrying out the military obligation registration of enlistment-eligible people and of many experiments, all localities, all localities have gained much theoretical and practical experience. It is only necessary to have determination, meticulous plan, specific measures, and especially oppose guerrilla, arbitrary working methods, for military obligation registration to attain good results.

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## ARMY PAPER REVIEWS SECURITY IN TRUNG AN

BK291234 Hanoi QUAN DOI NHAN DAN in Vientamese 11 May 86 p 2

[Article by Hoang Huan: "The Movement to Safeguard National Security in the Trung An Religious Area"]

[Text] Trung An Village (Thot Not District, Hau Giang) covers 3,598 hectares and has a population of 23,105. Some 95 percent of the local people are followers of the Hao Hao religious sect, and the rest are Caodaists, Buddhists, and so forth. Most of the villagers are farmers, and some of them earn their living as handicraftsmen or small merchants. In past years, Trung An has been one of the model units of Hau Giang Province in the movement to safeguard national security.

### Clearly Recognize the Enemy's Schemes and Maneuvers

During the anti-French and anti-U.S. wars of resistance, Trung An was controlled by the enemy through the use of the puppet army and administration as well as through the use of religious doctrines. The enemy built many military posts and used the security forces, the secret police, the civil defense force, and men planted in the Hoa Hao religious sect's top clergy to repress the local revolutionary movement.

Following liberation (1975), more than 2,000 members of the puppet army and administration and reactionary parties in the village were disbanded. A large majority of these persons gave themselves up and undertook reeducation in accordance with our policy. But a number of their leaders stubbornly evaded education and ganged up with reactionary elements from other localities to set up reactionary organizations and cause disturbances and rebellions with the aim of overthrowing the local revolutionary administration. Rallying their forces, they set up scores of counterrevolutionary organizations under different names such as "The Volunteers' Regiment," "The 3d Suicide Regiment," "The 4th Newly Formed Regiment," "The 18th Western Main-Force Regiment--3-Star Party," "The Western Politico-Military Council," "The Vietnam Restoration Party," and so forth. In particular, "the 18th Western Main-Force Regiment--3 Star Party" led by Nguyen Van Chin and "The 3d Suicide Regiment" led by Duong Chi Hong perpetrated countless crimes against the people. These counterrevolutionary organizations have now been basically disbanded after their leaders were arrested or killed by our forces during sweep operations. Failing in their

armed attempts, the enemies have switched to clandestine operations and set up underground bases. They have established contact with former members of the puppet army and administration, who already underwent reeducation but failed to make progress, and have recruited hooligans to work for them. At the same time, they have also planted their own operatives in our internal ranks, waiting for an opportunity to strike.

Taking advantage of the Hoa Hao religious sect, the reactionaries have sought to rally the sect's followers by launching a psychological warfare campaign aimed at distorting the party's lines and policies, especially those concerning agricultural transformation, grain procurement, and troop recruitment. They have used religious doctrines to poison the people's ideology, promote superstition, and spread such habits as observing fasting periods, saying prayers. wearing hair in a bun, and doing charitable deeds among the people, especially the youth. Recently they have illegally built temples and shrines (a total of 13 of them), clandestinely reestablished clergy councils at the hamlet level, and rekindled the old hatred by circulating reports about the destruction of the sect and the killing of the sect's teacher (Huynh Phy So) by the revolution in order to alienate the people from the revolution.

Regarding social order, vestiges of neocolonialism still abound; and theft, killings, and robberies still take place. This is being capitalized upon by the enemies to oppose and sabotage us.

Faced with this complicated situation, the Trung An Village Party Committee has launched a strong mass movement to safeguard national security and to primarily educate the people on revolutionary vigilance. Making the people well aware of the enemy's wicked plots is considered a prerequisite for securing victory in the movement. Before liberation the Hoa Hao sect faithful knew little of the revolution. After liberation they were very afraid of reprisals by the revolution or of eviction to other localities. The Village Party Committee and administration have adopted correct and specific counterbalancing policies to educate the masses, making them well aware of the enemy's plots and crimes, and of the revolution. The revolution severely punishes only those who stubbornly take advantage of religions to sabotage the revolution and harm the people. Those who sincerely repent may enjoy the policy of leniency. This is a very complex and difficult problem, because it is the reactionaries who take advantage of the Hoa Hao religious sect who are the objective of the struggle, while it is the faithful themselves who make up the forces engaged in the struggle. The Village Party Committee and administration have paid attention to gradually enlightening the people so that the people themselves can struggle against the disguised faithful engaged in sabotage activities. The masses are those peasants with true revolutionary character in the religious sect. They have endured much heavy suffering because of the exploitation, deception, and poisoning by those who take advantage of the religion. Once they have distinguished right from wrong, their resentment has been aroused and the faithful have voluntarily risen up to struggle and denounce the counterrevolutionaries to the village administration. Moreover, the village authorities have satisfactorily implemented the party policy toward religions, trusted and employed progressive people among the faithful, radically suppressed saboteurs disguised as faithful, and simultaneously motivated the faithful to pray for self-improvement at home and to voluntarily discarded all those reactionary slogans of the enemy disguised as faithful which run counter to the interests of the revolution and people.

## Build Strong Forces to Defeat All Enemy Schemes

It is decisive that we must have strong forces to eradicate the enemy and crimes in order to secure victory for the national security defense movement. By asserting this Trung An Village authorities have emphasized the building of strong forces. All party organizations, the administration, the mass organizations, the public security and military forces, and the people's security teams in the village have been consolidated, developed, and linked to the development of production collectives in order to intensify the integrated combat strength of all forces and to constantly increase the general strength of the whole system of proletarian dictatorship at grass-roots level. The Trung An authorities have succeeded in building wholesome public security forces to serve as a core for the national security defense movement. Some 163 people's security teams have operated in a positive way in the locality.

The village authorities have further focused on launching a struggle against the enemy's multifaceted war of sabotage and against its armed political groups in order to "nip them in the bud."

The people's forces that participate in the national security defense movement are also mainly the forces that are implementing the village's central tasks of comprehensively transforming and developing agricultural production, and stabilizing the people's life in the economic, political, cultural and social domains.

In leading the movement, the village authorities have determined the critical and important areas in order to gradually consolidate the movement, limit loopholes and negativism, definitively deal with weaknesses, and constantly develop the mass movement, making it continuously firmer and stronger. The local authorities have also improved the tasks of controlling people and households, building safe hamlets in terms of security and order, and classifying specific objectives to be watched. Some 43 percent of the political objectives have been satisfactorily transformed, and 22 percent of the criminals have been transformed into honest people. Some 60 percent of the violators of socialist assets have repented. The activities of criminals are much decreased.

In combination with suppressive measures, the village authorities have satisfactorily applied various forms of deterrence by bringing deliquent elements before the people for public education. Hundreds of superstitious people such as mediums and fortune tellers have also been transformed. The national security defense movement has actually transferred vigorous changes from within the party to among the masses. The people have provided hundreds of valuable pieces of information that help defeat the enemy and detect criminals and vegativism. They have particularly helped the public security forces suppress, mop up, and destroy counterrvolutionariies in dozens of circumstances during which 55 of them together with many weapons and important documents were seized, and 71 others surrendered themselves with weapons and explosives. The people have also provided documents enabling the public security forces to detect and prevent 219 cases of economic crimes and arrest 275 violators, recovering millions of dong for the state.

In past years, political security and public order and security in Trung An Village has been firmly maintained. An all-people battle plan has been established for all the villagers to participate in while defending security, thus developing the integrated strength of the whole party and people in the struggle to defeat the enemy's multifaceted war of sabotage.

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CSO: 4209/565

MILITARY AFFAIRS AND PUBLIC SECURITY

## NHAN DAN URGES ARMY TO PRACTICE THRIFT

BK010908 Hanoi Domestic Service in Vietnamese 2300 GMT 29 May 86

[30 May NHAN DAN editorial: "Practice Thrift"]

[Text] The resolution of the Fifth Party Congress pointed out that the practice of thrift is a major and long-term national policy and that it must be transformed into concrete policies, systems, norms, and measures. Thrift must be practiced in all fields of activity: capital construction, production, life, spendings on national defense and security, and administrative expenditures. Thrift must also be practiced in other fields of activity: capital, supplies, energy, raw materials, mechanical equipment, consumer goods, time, and workforce.

Fully aware of the party's resolution, all of our party, people, and Army must strive to engage in productive labor, be ready to fight and fight well, and practice thrift. In the Armed Forces, the practice of thrift is of great importance as it will ensure the Armed Forces' efforts to fulfill their national defense duties and contribute to stabilizing the socioeconomic situation. Through diversified and creative measures, our Armed Forces must increase the effective use of national defense funds, mobilize all natural resources, safeguard socialist property, and economize on the use of everything, large or small, in order to help enhance the fighting strength of troops and their combat readiness without affecting efforts to meet essential subsistence requirements of cadres and combatants.

Thriftiness is quite different from austerity and must be carried out comprehensively, thoroughly, and strictly. Right from the early days of its founding and during several decades of its unit-building, combat, and maturing, our Armed Forces--educated and trained by the party and Uncle Ho--have practiced thrift. This has been regarded by various units as a permanent task and has become a fine tradition and a source of pride for all cadres and combatants.

Emulation movements such as the movement to ensure good maintenance and long-lasting utilization, the movement to build good financial management units and good vehicle maintenance units, and the slogan "Love vehicles as one's own children and treasure gasoline as one's own blood" have been seen as vivid manifestations of a sense of thriftiness in the Armed Forces.

Antiaircraft Group B-63, with a sense of self-support and self-reliance, has built tens of thousands of square meters of shelters for vehicles and military hardware and has satisfactorily maintained all this equipment. This has helped prolong the longevity of this equipment while ensuring accuracy and high combat efficiency. The 53d machinery plant of the Technical General Department has each year set hundreds of rational labor norms, resulting in the saving of a great deal of supplies in national defense-oriented production.

Units such as the 3d Military Region and Group Truong Son have closely managed their transportation plans, improved their technical skills, and rationally used their transportation means, resulting in the saving of dozens of metric tons of gasoline and oil per year. The Dong Bang Division and the 513d Regiment have been noted for their rational use of the workforce and for their thrift. They have achieved good results in their training, combat, and economic construction activities. Signal Group M-32, while building various communications projects, has saved a great deal of materials that have been used to build a new high-quality communications line. While building canals and ditches in the Mekong River Delta, the 622d Mechanized Regiment has gathered every single bolt, made full use of every small piece of cable and preserved and treasured every bit of gasoline in an attempt to lower production costs and ensure high results in economic construction efforts.

All these are good experiences reflecting the fine character of our Armed Forces. However, in certain units there still exist a state of wastefulness. Their use of money, supplies, machinery, equipment, and manpower has not yet been rational and has failed to bring about good results.

The practice of thrift in the Armed Forces must be carried out in all work, from the formulation of policies and plans to the adoption of realistic actions. If policies are wrong and plans are impractical and unmeticulous, they will cause great waste. Moreover, we should not belittle the problem of practicing thrift in directing the implementation of these policies and plans.

Thrift in the Armed Forces involves many aspects and activities. Economizing on materiel--weapons and technical equipment--means maintaining satisfactorily and rationally using these things in order to bring about high efficiency in training, combat, and economic construction. It is necessary to meticulously plan to use materiel, namely weapons and technical equipment, in the right place, at the right time, and in the right amount. It is also necessary to possess good skills for directing work implementation: The troops must be taught a sense of collective mastery, good military and technical skills, and how to firmly grasp and skillfully exploit the characteristics and effect of each type of supplies, weapons, and equipment.

In practicing thrift, all units are required to make full use of supplies in stock without keeping supplies and goods in stock longer than the storage period permitted, as this will cause damage or result in a decline in quality. They must actively and fully retrieve discarded materials for use as raw materials for the production of various national defense and economic goods.

Every echelon and every unit in the Armed Forces must formulate concrete plans and norms for the practice of thrift, take meticulous organizational steps for work implementation, satisfactorily apply the policy of promoting the practice of thrift already promulgated by the state, commend and reward appropriately and promptly those individuals and collectives with high credits in the practice of thrift, and at the same time severely punish those involved in waste, loss, and damage.

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CSO: 4209/571

INTERNATIONAL RELATIONS, TRADE, AND AID

## NHAN DAN CRITICIZES 21 MAY U.S. NUCLEAR TEST

OW230935 Hanoi VNA in English 0723 GMT 23 May 86

[Text] Hanoi VNA 23 May--The United States keeps challenging humankind's conscience with a new nuclear test at Nevada on 21 May, says NHAN DAN in a commentary today.

The paper says:

"This nuclear test is particularly serious because it took place only a few days after the Soviet Union announced the extension of its unilateral moratorium on nuclear tests to 6 August 1986. To the Soviet Union's goodwill for peace, the United States has shown an irresponsible attitude. Since the Soviet Union unilaterally stopped its nuclear tests, the Reagan Administration has carried out 12 nuclear explosions, including four repeatedly in the last two months. By going ahead with their nuclear tests, the U.S. authorities have ignored all conscience and justice, and further strained the situation in the world. Continuing their nuclear tests in a bid to improve and increase their nuclear arsenal, the U.S. authorities have proved themselves unwilling to keep their commitments in Geneva."

The paper goes on:

"This move, together with the U.S. and NATO's decision to produce new chemical weapons, and the U.S. piratical attacks against Libya, has revealed more clearly the nature of the Reagan Administration's policy as one of confrontation aimed at gaining military superiority over the Soviet Union, violating the sacred rights of nations, and threatening peace and international security. This move has also laid bare the U.S. authorities' hypocritical contentions about the accident at the Soviet Union's Chernobyl Nuclear Power Plant."

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CSO: 4200/1084

## NHAN DAN CITES U.S. 'STATE TERRORISM'

BK271346 Hanoi International Service in English 1000 GMT 27 May 86

[Text] The leading national paper NHAN DAN on Sunday [25 May] ran a commentary criticizing U.S. President Reagan's clamor about international terrorism.

The paper said: Recently, U.S. President Reagan has made a hue and cry about international terrorism. He even considered himself leader of antiterrorism and called on the world to [words indistinct] with the United States in opposing spreading international terrorism. With this campaign, the United States has further exposed towering crimes of terrorism. The U.S. criminal war in Vietnam and its war of destruction against North Vietnam were in fact acts of terrorism against a nation with bombs and shells in an attempt to force the Vietnamese people to renounce their sacred obligation to support the people and fighters in the South who were fighting for national independence and reunification. These were also typical acts of the U.S. criminal policy of state terrorism.

Recent developments in Central America and the Caribbean region have further exposed the unjustifiable crimes of the Reagan administration. The United States had used a big naval, ground, and air force to occupy the small and sovereign state of Grenada. This act of state terrorism will be forever a stain on the face of the Reagan administration.

Most recently, the Reagan administration again committed another act of state terrorism by conducting a military attack on Libya. Under the pretext of retaliating an act of terrorism in West Berlin, Washington mobilized F-111 swing-wing planes taking off from U.S. bases in Britain and U.S. warships of the Sixth Fleet in the Mediterranean Sea to strike Tripoli capital and the port city of Benghazi. This is another U.S. criminal act and an act of state terrorism against Libya in an attempt to assassinate Colonel al-Gadhdhafi and threaten the people of Libya and other Arab nations.

However, the United States failed in its scheme. Many U.S. aircraft were shot down together with their pilots. If in the United States several persons clapped their hands in approval of this serious terrorist move, a wave of protest against the United States is spreading throughout the Arab world, the broad nonaligned movement, and progressive world public opinion. This shows the profound isolation of the Reagan administration.

It is high time to discuss in a global scale who are terrorists and [who] are victims of international terrorism. And it is high time to point out with enough evidence that the United States is the biggest, the cruelest, and the most perfidious state terrorist. CIA, an espionage, subversive, and sabotage agency, a mainstay and a big instrument of the U.S. regime, is in fact a big state terrorist organization. The brazen acts of the U.S. Government and CIA are inciting its allies and satellites to carry out the Reagan-style state terrorism. South Africa's air raids on the capital cities of its three neighboring sovereign countries are acts of Reagan-style terrorism taken by the most reliable U.S. ally with the encouragement and protection of Washington.

The most important thing is that the victims of the U.S.-style terrorism are sovereign nations and legal state leaders.

In conclusion, the paper said: The criminals of state terrorism are being unmasked in the contemporary civilized world. Their groundless and roundabout justification is but a confession.

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CSO: 4200/1090

QUAN DOI NHAN DAN VIEWS U.S.-THAI MILITARY COOPERATION

BK251458 Hanoi Domestic Service in Vietnamese 1430 GMT 23 May 86

[QUAN DOI NHAN DAN 23 May article: "Whom Do Washington and Bangkok Threaten?"]

[Text] On 19 May at the Sattahip Naval Base, south of Bangkok, the United States and Thailand began a combined military exercise codenamed "Logex 29" with the participation of some 800 Thai military officers and more than 20 U.S. military advisers. The objective of the combined military exercise was to ensure logistics support for the Thai Army to cope with the threat from outside.

Along with the "Logex 29" military service, the U.S. and Thai Armed Forces are intensively preparing for a large-scale combined military exercise codenamed "Cobra Gold," which will take place in a sea area in the southern part of Thailand with the participation of some 9,500 American soldiers and 3,500 Thai troops. It is expected that F-16 aircraft, the modern jet fighters that the United States has just sold to Thailand, will also be used in this military exercise as a show of force.

The people in Southeast Asia, including the Thai people, are watching these military activities extremely closely and with deep concern because they have posed a threat to peace and stability in the region and marked a new step in the development of U.S.-Thai military collusion.

Not long ago--early in April of this year--U.S. Defense Secretary Weinberger visited Thailand. This trip, which embraced many dark schemes, was aimed at winning Bangkok's sympathy with the execution of Reagan's Asia-Pacific strategy.

After sustaining defeat in its war of aggression against Vietnam and other countries in Indochina, the United States was compelled to reduce its military presence in Thailand. However, since he became the 40th president of the United States, Reagan has maintained that it is necessary for the United States to affirm its presence in Southeast Asia and that Thailand is one of its important positions in the region. Since then, the Reagan administration has sought every means to stage a comeback in Thailand as well as to exert economic and military influence on this country.

As soon as he arrived in Thailand, the head of the Pentagon satisfied the ultra-rightist circles in Bangkok by declaring that the U.S. commitment to the security

of Thailand is a perfect and absolute truth. At the talks held between Weinberger and high-ranking Thai officials, the two sides discussed the need to build an arms stockpile in Thailand quickly to enable the United States to deliver supplies to its allies in the region against any act of aggression in case of emergency.

By supplying modern weapons and military technology to Thailand, by conducting combined military exercises annually, and by setting up an arms stockpile on Thai soil, the Reagan administration and Bangkok are directing their spearhead at the Indochinese countries and threatening peace and stability in Southeast Asia. As pointed out by the Thai public, the setting up of an arms stockpile in Thailand will constitute a provocation and will create new confrontation in Southeast Asia.

By intensifying their military collusion with the U.S. imperialists, the ultrarightists among the Thai ruling circles are gradually helping the hotheads in Washington practice their Asia-Pacific doctrine and are step by step turning Thailand into a military springboard for the U.S. imperialists in their crusade against peace, national independence, and social progress in Southeast Asia.

To justify their acts of causing tension in the region, on 16 May a Thai Army general even stated nonsensically that Vietnam was planning to invade Thailand in 1987 with the aim of establishing the Indochina Federation. However, that psychological warfare allegation to stir up public opinion by the Thai ultrarightist forces cannot deceive anybody.

People are well aware that the U.S. imperialists and Thailand, together with the expansionists-hegemonists, are trying to oppose and undermine the revival of the Cambodian people and the cause of peaceful labor of the three Indochinese countries. This act--which runs counter to the trend of peace, stability, and cooperation in the region as well as to the interests and aspirations of the Thai people themselves--is being vehemently condemned by public opinion in Thailand and other countries in Southeast Asia.

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CSO: 4209/565

INTERNATIONAL RELATIONS, TRADE, AND AID

## NHAN DAN CRITICIZES THAI CONFRONTATION POLICY

OW240801 Hanoi VNA in English 0739 GMT 24 May 86

[Text] Hanoi VNA 24 May--NHAN DAN in a commentary today says that the slanderous allegations spread recently by some Thai generals about Vietnam's planning to attack Thailand in 1987 to divide the country, form the "Indochinese federation" and isolate China and the United States in this region are a product of the unhealthy imagination of those who want to seek confrontation with the Indochinese countries.

The paper says:

"Everyone can see that behind this smoke-screen are dangerous acts taken by the Bangkok military to strengthen their alliance with the U.S. imperialists and their collusion with the Chinese expansionists and hegemonists, step up their intervention in and violation of the sovereignty and territory of the People's Republic of Kampuchea. The plan of establishing U.S. war reserve stockpiles in Thailand, and the gradual preparation for a comeback of U.S. troops to that country are being carried out. Joint military exercises between the United States and Thailand have been undertaken more frequently and on a larger and larger scale. The ultra-rightists in the Bangkok ruling circles are together with the Beijing reactionaries nurturing the genocidal Pol Pot remnants and other Khmer reactionaries. Thai and Chinese top leaders have of late met each other to discuss their plans."

The paper goes on:

"Vietnam's unswerving stand which has been stated time and gain is to always respect the sovereignty and territorial integrity of Thailand, not to interfere in its internal affairs, and develop friendly and good neighbourly relations with that country; the Socialist Republic of Vietnam, the People's Republic of Kampuchea and the Lao People's Democratic Republic have put forth many constructive proposals to Thailand, but the latter has rejected them all. Thailand's policy of confrontation is unrealistic, and its slanderous charges can in no way help its short-sighted policy."

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CSO: 4200/1084

INTERNATIONAL RELATIONS, TRADE, AND AID

## TASS WELCOMES SRV-PRK TROOP WITHDRAWAL PLAN

OW240925 Hanoi VNA in English 0714 GMT 24 May 86

[Text] Hanoi VNA 24 May--The Soviet News Agency TASS has welcomed the decision of the governments of the Socialist Republic of Vietnam and the People's Republic of Kampuchea to carry out another partial withdrawal of Vietnamese volunteers from Kampuchea.

"The friends of Kampuchea and Vietnam and the progressive world public," says TASS, "view this act as a manifestation of the sincere desire of the two Indochinese countries for an improvement in relations with all the ASEAN member countries. At the same time it is a graphic manifestation of the stabilisation of the domestic political situation in Kampuchea and the great progress in the national rebirth of the republic and in the development and consolidation of the armed forces of people's Kampuchea."

TASS denounces Thailand's repeated violations of Kampuchean territory, the increasing U.S.-Thai military alliance and their support and aid to the Pol Pot clique.

Meanwhile, it criticises the U.S., the ASEAN and other forces of reaction for ignoring the constructive initiatives of the Indochinese countries, which it says have really paved the way to the settlement of the outstanding problems of the region.

"All this shows that the American imperialists are interested not in resolving the 'Kampuchean question' and ensuring peace and stability in the region but in exploiting it as a pretext for restoring their positions, lost after defeat in the Vietnam war and the collapse of the Pol Pot regime of genocide," notes TASS.

"Another partial withdrawal of Vietnamese volunteers from Kampuchea is evidence of the goodwill and firm resolve of the Indochinese countries to follow the road of normalising the situation around Kampuchea and turning Southeast Asia into a zone of peace, stability and cooperation," concludes the Soviet News Agency.

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CSO: 4200/1084

INTERNATIONAL RELATIONS, TRADE, AND AID

## VNA CITES SPK PRAISE FOR TROOP WITHDRAWAL PLAN

OW240937 Hanoi VNA in English 0732 GMT 24 May 86

[Text] Hanoi VNA 24 May--The joint decision of the governments of the People's Republic of Kampuchea and the Socialist Republic of Vietnam to pull out another contingent of the Vietnam volunteer army, the fifth partial withdrawal since 1982, testifies to Kampuchea's growing strength in all fields and to the good will of the two governments to promote detente in Southeast Asia, says SPK.

The Kampuchean news agency recalls that army volunteers from Vietnam responded in time to the urgent call of the Kampuchean people, flew to the rescue of the latter and saved them from the grips of the Pol Pot clique, henchmen of Chinese expansionism and hegemonism.

These great services will be remembered forever with profound gratitude by all Kampuchean patriots, stresses SPK.

It notes that over the past seven years, the Kampuchean revolutionary armed forces have grown steadily in strength and have effectively cooperated with Vietnamese volunteers in ensuring the defence of the country. The victories of the 1984-85 dry season, the most resounding ever, resulted in the obliteration of a series of enemy hideouts along the northwestern border.

After denouncing the continued designs of Kampuchea by China, the U.S., ASEAN and other forces of reaction, SPK says:

So this partial withdrawal of the Vietnamese forces should be constructed in the spirit of the communique of the 12th conference of the foreign ministers, in which the peoples of Kampuchea, Vietnam and Laos clearly state that they "ardently desire peace and an early end to the undeclared war against the Kampuchean people so as to soon reach a political solution to the question of Kampuchea and to that of peace and stability in Southeast Asia."

SPK quotes the communique of the 12th Indochinese foreign ministerial conference as saying: "The settlement of the international aspect of the Kampuchean question would imply an agreement on the withdrawal of Vietnamese volunteer forces along with the cessation of all material and military aid to the Pol Pot clique and other reactionary Khmer forces, of the utilization by the latter of Thai territory as sanctuary, of all intervention from outside in

the internal affairs of Kampuchea as well as of military hostilities by foreign countries against the People's Republic of Kampuchea."

People who intentionally misinterpret this gesture of good will for their dirty purposes will be frustrated by the high vigilance and firm militant solidarity of the Kampuchean, Vietnamese and Lao peoples, concludes SPK.

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CSO: 4200/1084

## LANG SON , SON LA ENCOURAGE INCREASE OF EXPORTS

Hanoi QUAN DOI NHAN DAN in Vietnamese 14 Apr 86 p 1

[VNA News Release: "Lang Son and Son La Encourage Rapid Increasing of Export Index"]

[Text] Lang Son is a province with strengths with regard to such industrial crops as anise, tung nuts, camellia, tobacco, and soybeans, and such medicinal crops as cardamom, morinda officianalis, sophora japonica, gekko, etc., but for many years Lang Son's export index has been very low because of insufficient attention to investing capital for production. Anise is a traditional export item with high economic value, but the harvested area has declined from 2,500 hectares to 1,500 hectares. Many other products have declined and cannot yet be managed or purchased.

In order to overcome that situation, Lang Son has decided to, in coming years, double the export index in comparison to the previous 5-year period by means of positive measures and policies to encourage the development of production. In 1986 alone the province will increase the value of its exports by 155 percent, and the value of its imports 3.5 percent, in comparison to 1985.

The province is concentrating investment capital and grain to rapidly develop seven leading crops: anise, tung nuts, camellia, tobacco, ginger, soybeans, peanuts, and sesame. The province has completed the zoning of areas for growing those leading crops, so that by 1990 it can grow 10,000 hectares of anise, 15,000 hectares of camellia, 20,000 hectares of tung trees, 2,000 hectares of ginger, etc. In the immediate future, it will do a better job of managing and carrying for more than 2,500 hectares of anise, tung nuts, and fruit-bearing camellia.

Lang Son is setting aside between 15 and 20 percent of the export-import profits to set up a fund to develop production in areas specializing in the cultivation of anise, camilla, tung nuts, etc., and is guiding the districts and units producing export goods in setting aside 50 percent or more of the foreign exchange for reproduction and the purchasing of export goods.

Son La Province has expanded to the districts, cities, and production units the right to take the initiative in exporting and importing. In addition to six products assigned in accordance with legal norms, the units are authorized

to commission the export of 16 other goods, and to use an appropriate ratio of foreign exchange earned from exports beyond the plan.

The export-import federation corporation has positively invested in expanding production and creating stable sources of goods. The corporation has invested money and goods in places which produce such crops as ginger, dicotyledon, cardamon, etc., and such long-term industrial crops as tung nuts, tea, etc.

Prior to the production season the corporation paid 30 to 50 percent of the money and goods to the money and goods to the production bases in advance, and signed contracts for the purchase while also signing contracts with the education sector. This year Son La will endeavor to attain an export value of 25 million dong, a four-fold increase over last year.

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CSO: 4209/533

## WPC CHAIRMAN ROMESH CHANDRA GIVEN AWARD

### Truong Chinh Speaks at Ceremony

OW301043 Hanoi Domestic Service in Vietnamese 1100 GMT 27 May 86

["Test" of speech by Truong Chinh, chairman of the SRV Council of State, at 26 May ceremony in Hanoi to confer Ho Chi Minh Order on WPC Chairman Romesh Chandra--read by announcer]

[Text] Comrade Romesh Chandra, WPC chairman; his excellency Indian Ambassador Pushkar Johari, comrades and friends,

I am very much honored and pleased today to represent the SRV Council of State in conferring on WPC Chairman Romesh Chandra the Ho Chi Minh Order, a noble SRV order.

This award bespeaks the Vietnamese people's admiration for and gratitude to Comrade Romesh Chandra, their close friend, who has devotedly and strongly supported the Vietnamese people's just struggle for independence, freedom, and national reunification against brutal aggression by imperialism and other reactionary forces.

The Vietnamese people will forever remember Comrade Romesh Chandra's sincere and deepfelt feelings for the late President Ho Chi Minh and the Vietnamese people. His presence in Vietnam during the historic turning points, his resolute voice defending the Vietnamese people's revolutionary cause at all international forums on five continents, and his active contributions to consolidating and developing the solidarity, cohesion, friendly relations, and cooperation between the Vietnamese and Indian peoples have endeared him to the entire Vietnamese people.

As general secretary, then chairman, of the World Peace Council, Comrade Romesh Chandra has, over the past 20 years, devoted all of his mind and energies to the world peoples' struggle against the danger of nuclear war and for peace, national independence, democracy, and social progress.

This award also bespeaks the Vietnamese people's high evaluation of his great contributions to the protection of world peace.

Victims of the longest aggressive war since the end of World War I, the Vietnamese people cherish peace so that they can build their country and promote friendly relations and cooperation among peoples.

While striving to carry out their dual task of socialist construction and national defense, the Vietnamese people assert their determination to fight tirelessly to contribute to building Southeast Asia into a zone of peace, stability, friendship, and cooperation, and to preserving peace in Asia and the rest of the world.

On this occasion, we warmly congratulate Comrade Romesh Chandra on his reelection as WPC chairman at the April WPC session in Sofia.

On behalf of the SRV Council of State and the Vietnamese people, I sincerely wish you the best of health and continued outstanding fulfillment of your noble mission.

## Romesh Chandra Speech

OW311031 Hanoi Domestic Service in Vietnamese 1100 GMT 27 May 86

["Text" of speech by WPC Chairman Romesh Chandra on receiving Ho Chi Minh Order at 26 May ceremony in Hanoi--read by announcer]

[Excerpts] Respected Comrade Truong Chinh, chairman of the SRV Council of State, comrades, and friends: There are unforgettable moments in the life of each of us. This is one such moment in my life. To the end of my life I will always remember this moment, when the Vietnamese people give me the right to call myself a friend of Vietnam, a noble title.

I am receiving the Ho Chi Minh order in the name of the World Peace Council [WPC] and of the hundreds of millions of people of all countries who support and remain alongside the WPC. This noble award is in recognition of the work of combatants struggling for peace, the noblest undertaking of all mankind. I am also very proud to receive the Ho Chi Minh Order in the name of the peace movement of my own country, India. This noble award is in recognition of the peace policy of India, a country which is making decisive contributions to preventing nuclear war, for the sake of the freedom, justice, and social progress of all peoples.

This order is named for President Ho Chi Minh, whose life and work have been encouraging all those who struggle to protect this planet from nuclear destruction and to build a new world without domination, aggression, and intervention by imperialism, without famine, poverty, illiteracy, and diseases. Wherever people are struggling for freedom and independence, President Ho Chi Minh's banner is fluttering high. Wherever people are struggling for peace against nuclear war, President Ho Chi Minh's banner is fluttering high.

The heroic Vietnamese people's fight against U.S. aggression, which has changed the face of the vast world peace movement, has proved that the struggles for peace, freedom, and national independence are just one struggle. For those among us from many countries who had the honor to stand shoulder to shoulder with the Vietnamese people in Hanoi, Haiphong, and other localities when B-52 bombers were raining death on this country, Vietnam was at that time, and forever will remain, our second home, our seconf fatherland. Comrades and friends, this is my home, my very home. Therefore, I have repeatedly returned to my beloved Vietnam.

Imperialism and hegemonism are continuing to threaten and attack the SRV, because Vietnam fights for peace, Vietnam is fighting against oppression and genocide. These days, once again, a contingent of the fraternal Vietnamese force is returning home from the PRK. The WPC once again declares its full support to the Vietnamese people who have selflessly assisted their Cambodian brothers and sisters in their fight against the devilish genocidal Pol Pot-Ieng Sary clique and its cohorts.

The proposals by Vietnam, Laos, and Cambodia on a zone of peace and stability in Southeast Asia are a great contribution to the security of Asia and to world peace. The SRV is making a major contribution to the UN undertakings and the nonaligned movement.

Yesterday, I paid tribute to the late President Ho Chi Minh at his mausoleum. Standing in front of him, I closed my eyes for a while in remembrance, and there appeared in my mind the years he lived. President Ho Chi Minh urged the building of a peaceful world without war and violence. We now have the strength to make that dream a reality, to check the U.S. Star Wars plans, to curb nuclear tests and the manufacture of modern weapons of mass destruction. The people of all countries are rallying in support of the Soviet Union's peace proposal designed to eliminate all nuclear weapons by 2000.

Ho Chi Minh lives forever in the hearts of all of us and in everything we do to carry out his testament: Remain united and build Vietnam and make it 10 times more beautiful and, along with Vietnam, build this world, this entire world, and make it 10 times more beautiful.

Ho Chi Minh lives forever. Glory belongs to the SRV.

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CSO: 4209/571

INTERNATIONAL RELATIONS, TRADE, AND AID

BRIEFS

COMMITTEES PROTEST SOUTH AFRICAN ATTACKS--Hanoi VNA 26 May--"We are very indignant at the massive attacks by South African forces against the capital cities of Zimbabwe, Zambia and Botswana," said a joint statement released recently by Vietnam's A.A.P.S.O. Committee and Peace Committee. The statement continued: "Those piratical acts of the South African aggressors are part of a series of counterrevolutionary activities undertaken by U.S.-led imperialist and reactionary forces against independent and sovereign nations in the southern part of Africa, and against Libya. Those acts have been not only a gross violation of the sovereignty of independent countries in Africa, but also an insolent challenge to progressive mankind." "We take this opportunity to renew our militant solidarity with the peoples of Zimbabwe, Zambia and Botswana in their struggle for national construction and defence against South Africa's aggression. We also reaffirm our close unity with the South African people's just struggle under the leadership of the African National Congress to do away with the present brutal apartheid regime in Pretoria, for their genuine independence and freedom and other basic national rights." [Text] [Hanoi VNA in English 1522 GMT 22 May 86 OW] /12913

LAO CONSTRUCTION COOPERATION--Hanoi VNA 22 May--A delegation of the Lao Ministry of Construction led by its Vice Minister Seun Phetsanghan visited Vietnam from 12-19 May. While here, the delegation had working sessions with a host delegation headed by Vice Minister of Construction Tran Van Huyng Lam. The two sides reviewed their cooperation in 1985 and signed a program of cooperation for 1986-87. Under this program, Vietnam will help Laos in developing the production of building materials, training personnel and other work. The Lao guests toured the Institute of Building Materials, the Hoa Binh Hydro-electric Power Project, the Bim Son Cement Plant and the Hanoi College of Architecture. They were received by Dang Thi, member of the Communist Party of Vietnam Central Committee and chairman of the Commission for Economic and Cultural Cooperation with Laos, Kampuchea, and Phan Ngoc Tuong, alternate member of the CPV Central Committee and Minister of Construction. [Text] [Hanoi VNA in English 0813 GMT 23 May 86 OW] /12913

CAMBODIAN FISHERY COOPERATION--Hanoi VNA 22 May--A delegation of the Vietnamese Ministry of Aquatic products led by Vice Minister Vo Van Trac recently paid a visit to Kampuchea. While there, it had working sessions with a delegation of the Kampuchean Ministry of Agriculture led by Vice Minister Noun Soreth. The two sides reviewed their bilateral cooperation over the past years and worked out measures to implement their cooperation plan in 1986.

They also discussed the content and orientations for their cooperation in the 1986-90 period. They signed documents on the implementation of the fishery cooperation between the two countries. The Vietnamese guests were warmly received by Kampuchean Minister of Agriculture Say Chhum. [Text] [Hanoi VNA in English 0800 GMT 23 May 86 OW] /12913

GDR CONGRESS SUCCESS--Hanoi VNA 22 May--A talk on the success of the 11th Congress of the Socialist Unity Party of Germany (SED) has been arranged in Ho Chi Minh City. The speaker was the counsul general of the German Democratic Republic (GDR) to Ho Chi Minh City. He briefed the audience on the objectives set forth at the congress, especially the new 5-Year Plan and the orientations for the period up to the year 2000. Other activities including exhibitions and talks on the SED Congress and the GDR people's achievements have also taken place at various precincts and public offices and enterprises in the city, highlighting the friendship and cooperation between the parties and peoples of Vietnam and the GDR. [Text] [Hanoi VNA in English 0805 GMT 23 May 86 OW] /12913

GDR EDUCATION DELEGATION--Hanoi VNA 22 May--A delegation of the Ministry for Higher and Technical Education of the German Democratic Republic headed by Prof Dr J. Garssha, visited Vietnam from 13-21 May as guest of the Vietnamese Ministry of Higher and Vocational Secondary Education. While here, the GDR guests had working sessions with the host ministry about higher and vocational education in the two countries. The two sides signed a plan of cooperation in higher and vocational education for the 1986-90 period. The GDR delegation paid a floral tribute to President Ho Chi Minh at his mausoleum, called at some colleges, and met with Vietnamese students who had graduated from the GDR. On 20 May, Vo Nguyen Giap, member of the Communist Party of Vietnam Central Committee and vice-chairman of the Council of Ministers, cordially received the GDR guests. [Text] [Hanoi VNA in English 0810 GMT 23 May 86] /12913

TRUONG CHINH SIGNS DECISION--The State Council of the SRV decided to present Romesh Chandra, president of the WPC, with the Ho Chi Minh Order for his great contributions to the just cause of the Vietnamese people for national independence and to the preservation of world peace. The decision was signed on 27 September 1985 by President Truong Chinh. In this connection, the leading national paper NHAN DAN Saturday [24 May] published a portrait and biography of WPC President Romesh Chandra, praising his leading role in the international movement for solidarity with Vietnam in the Vietnamese people's anti-U.S. struggle for national salvation. Romesh Chandra had presided over the urgent international conference to support Vietnam held in Helsinki from 6-8 March 1979 condemning Chinese war of aggression against Vietnam. [Text] [Hanoi International Service in English 1000 GMT 24 May 86 BK] /12913

DELEGATION VISITS HUNGARY--Hanoi VNA 24 May--Vietnam cultural days were opened at the Budapest Operetta Theatre in Hungary on the evening of 21 May. Speaking at the opening ceremony of Vietnam Cultural Days, Hungarian Vice Minister of Culture Ferenc Ratkai said: "So far, we Hungarians only know that the Vietnamese are courageous in fighting, industrious in labour, and intelligent in their national construction. For the first time today we come to know the ago-old and high-standard culture of Vietnam." He wished the

cultural relations between Hungary and Vietnam further development to make for the far geographical distance between the two countries. [sentence as received] Then the Vietnamese traditional folklore ensemble gave its premiere including folk dances and songs performed by soloists Thu Hien, Ai Xuan and Tran Hieu, and the performances of traditional musical instruments such as nhi (a string musical instrument), and the bau monocord. Within the framework of the Vietnam cultural days, art performances and fine and applied arts exhibitions will be held in Budapest and various provinces in Hungary. The visiting delegation of the Vietnamese Ministry of Culture also discussed with its Hungarian counterpart measures to strengthen the friendly relations and cooperation between the two countries. [Text] [Hanoi VNA in English 0722 GMT 24 May 86 OW] /12913

DELEGATION LEAVES FOR FRG--At the invitation of the German Communist Party [DKP] Central Committee, a CPV delegation led by Comrade Dang Thi, member of the party Central Committee, has left for the FRG to attend the Eighth Congress of the DKP. [Text] [Hanoi Domestic Service in Vietnamese 2300 GMT 28 Apr 86 BK] /12913

BULGARIAN ENVOY RECEIVED--Hanoi VNA 28 May--"The Vietnamese people warmly welcome Bulgaria's constructive stance in the struggle for world peace and acclaim the Bulgarian National Assembly's efforts in coordinating with other states and peoples in their activities to implement the objectives of the international year of peace," said Vietnamese National Assembly Chairman Nguyen Huu Tho when receiving G. Bosev, Bulgarian ambassador to Vietnam, here yesterday. During the reception, Ambassador G. Bosev handed over to Chairman Nguyen Huu Tho a letter from the Bulgarian chairman of the National Assembly and a recent statement by the Bulgarian National Assembly on the international year of peace. The ambassador said that Bulgaria has always adhered to the principles of the UN Charter and striven for peace and security, against the arms race. "The Bulgarian people have unceasingly struggled for cooperation and understanding in the Balkan region, Europe and the world as a whole, hence contributing to living up to the objectives of the international year of peace," he further said. [Text] [Hanoi VNA in English 1531 GMT 28 May 86 OW] /12232

CSSR AID TO FLOOD VICTIMS--Hanoi VNA 28 May--Czechoslovak ambassador to Vietnam Buhuslav Handl recently made a token delivery of Czechoslovak gift to the people in flood-stricken areas in the central Vietnam province of Binh Tri Thien. Speaking at a ceremony held by the local authorities, Nugyen Van Luong, chairman of the provincial People's Committee, sincerely thanked the Czechoslovak people for their assistance to the Binh Tri Thien people. During his visit to Binh Tri Thien, ambassador Bohuslav had working sessions with local leading officials on the strengthening of cooperation between Czechoslovak and the province. He called at several production establishments in the province and had a talk on the success of the recent 17th Congress of the Communist Party of Czechoslovakia. [Text] [Hanoi VNA in English 1534 GMT 28 May 86 OW] /12232

PRC TYPHOON VICTIMS--Hanoi VNA 29 May--The Vietnam-China Friendship Association has extended its warm sympathy to the people of the typhoon-striken province of Sichuan, in the People's Republic of China. The message of sympathy, dated 28 May and addressed to the China-Vietnam Friendship Association, wished the Chinese typhoon victims early recovery from the typhoon aftermath. [Text] [Hanoi VNA in English 1532 GMT 29 May 86 OW] /12232

REJECTION OF THAI 'FABRICATION'--According to Western sources, on 29 May some Thai Army commanding officers said that Vietnamese artillery in Cambodia fired on a Cambodian refugee camp in the Thai territory, killing and wounding many persons. The VIETNAM NEWS AGENCY is authorized to totally reject this fabrication. Although international relief personnel, working at the area expressed doubt about the news and contended that the Khmer Rouge was the one who shelled the refugee camp, the Thai military circle has deliberately made slanderous allegations against Vietnam to cover up the internal conflict of the Cambodian reactionaries and to mislead world public opinion which is paying attention to and welcoming the fifth partial withdrawal of the Vietnamese volunteer army from Cambodia. [Text] [Hanoi Domestic Service in Vietnamese 1445 GMT 30 May 86] /9604

CSO: 4209/571

## WORKERS, CIVIL SERVANTS WELCOME CRITICISM, SELF-CRITICISM

Hanoi LAO DONG in Vietnamese 20 Mar 86 p 1

/Unattributed article: "Sincerely Help Cadres and Party Members Satisfactorily Carry Out Self-criticism and Criticism"/

/Text/ Ever since the party Central Committee announced the convening of the Sixth National Party Congress by the end of this year, we the workers and civil servants have performed realistic deeds in production and task execution and dedicated them to this important political event. By so doing, we have expressed our feelings and attachment to the staff of our class--a staff which has skillfully applied an ingenious strategic policy and led our people to win resounding victories for more than half a century.

However, guiding socialist construction is quite a new task for our party. Because of weakness and inexperience, it has been impossible to avoid stumbles and errors, even occasionally serious mistakes. Using self-criticism and criticism as a weapon, our party has been struggling against erroneous concepts and viewpoints and against shortcomings in the qualities and abilities of cadres and party members and has thus been able to develop the implementation of many tasks. Nevertheless, the shortcomings committed recently, especially in the socioeconomic sphere, are considered abnormal.

To prepare for the Sixth National Party Congress and the congresses at all levels, the Secretariat of the party Central Committee has just issued a directive on launching a self-criticism and criticism campaign throughout the party, among all cadres and party members, regardless of their positions, in all sectors at all echelons. This broad campaign of self-criticsm and criticism will assess task execution since the Fifth National Party Congress and will draw experiences in order to increase the ability of the party to organize task execution, to improve the quality and capability of economic and state management, and simultaneously to reorganize and rationally redeploy cadres and improve their working methods. Another objective is to examine and evaluate cadres in a sound and comprehensive manner, thus creating conditions to choose the right personnel for participation in the Sixth Central Committee and the next term of party committees at all echelons and also to appoint delegates to the party congress at all levels.

Our workers, civil servants, and trade union organizations gladly welcome this responsible act of the party. As a broad mass organization of the party and a link between the masses of workers and civil servants and the party, we have the duty to help cadres and party members properly carry out self-criticsm and criticism. Immediately after its creation, our party--which belongs to the working class--has relied on workers and secret trade union organizations to build and develop its own organizations. The flesh-and-blood association of the trade union, workers, and civil servants with the party has enabled trade union organizations to carry out their activities and has simultaneously provided an activist base for the party to successfully conduct profound and thorough revolutionary movements. With the abilities proper to their class and because of their duty to build their own party, our workers and civil servants will, by practical deeds, help cadres and party members correctly carry out self-criticism and criticism. This will ensure success for all tasks and for the forthcoming party congress.

9332/12228
CSO: 4209/476

## HARD-WORKING UNIT CHIEF 'CRITICIZED' BY SUPPORTER

Hanoi LAO DONG in Vietnamese 27 Mar 86 p 8

[Article by B. L.: "Criticism"]

[Text] The unit chief said: "Dear comrades, you are free to criticize me. Please tell me what shortcoming I have committed so that I may take action."

Looking at the hard features and flashing eyes of the unit chief and at his "supporters" who closed their ranks round him like a cluster of roots under a stem, everyone was reluctant to speak his mind. The atmosphere was as tense as before the moment to open fire. Suddenly a man raised his hand and said: "I want to say something by way of criticism." Many people glanced at one another: "How can this guy betray his own master? So far he has always ganged up with the old man!" Looking at the audience, the critic said: "Every man has some shortcomings. You comrades have not paid much attention to our unit chief because you do not work near him. But I know his strength and weakness very well because I serve him every day. I don't want to speak about his good points because there is not enough time to mention them all. As for his shortcoming," he looked at the unit chief, "well, my brother, I must sincerely criticize you because you have been working too hard without taking care of your health!"

9332/12851
CSO: 4209/477

## PEOPLE ENCOURAGED TO CONTRIBUTE OPINIONS, CRITICISMS

Hanoi QUAN DOI NHAN DAN in Vietnamese 12 Apr 86 p 1

[VNA News Release: "Large Numbers of Cadres, Party Members, and People Outside the Party Encouraged To Participate in Contributing Opinions and Criticisms"]

[Text] A number of provinces, municipalities, and central-level departments and sectors have begun to carry out a criticism and self-criticism campaign within the Party.

So that that political activity campaign can attain good results, in addition to carefully preparing the contents of the review documents, the party committee echelons have paid attention to encouraging large numbers of cadres, party, members, and people outside the party to participate in contributing opinions and criticisms, especially with regard to the key cadres of the localities, sectors, and basic units.

In a number of provinces and municipalities the secretaries and standing committee members of provincial and municipal party committees have personally listened to the opinions of the heads of departments and sectors regarding the review documents. A number of places have organized cadre conferences and opinion polls among cadres and party members in order to contribute opinions to leadership cadres by means of personally writing letters or through the organ party committees. The Hanoi party committee guided the party committee echelons in giving priority to bringing about a profound transformation among the key cadres and creating an attitude of frank, strict self-criticism and criticism.

The Standing Committee of the Hai Phong Municipal Party Committee and the Ha Son Binh provincial party committee sent key leadership cadres of the provinces, municipalities, and directly subordinate districts to meet with cadres, party members, and workers in a number of localities, villages, small industry-handicrafts cooperatives, and state enterprises, and with a number of key provincial cadres who had retired.

Ha Son Binh planned to obtain the opinions of cadres and party members in 20 villages, and in a number of enterprises and small industry-handicrafts cooperatives. The provinical committee of Hoang Lien Son organized "political

days" on which there were direct meetings between the cadres of all provincial and district echelons and sectors and the people, workers, civil servants, and members of the armed forces, to listen to criticisms, enquiries, or recommendations by the people, and help enable collective and individual review reports in the provincial and district party committees to have greater depth. Vinh Phu organized conversations among organs to clarified the problems that must be resolved.

In many provinces and municipalities the standing committees of the provincial and municipal party committees selected direct guidance locations. The party organization of Thanh Hoa Province categorized the districts and sectors. In places where the movement was strong, there was internal solidarity, and steadfast key cadres, the party committees emphasized self-help. In places which were weak and deficient, or had difficult, complicated internal problems, the upper echelons, especially the standing committees of the party committees, concentrated on providing guidance. The weak, deficient sectors replaced their key cadres before beginning the reviews. The Ha Son Binh, Phu Khanh, and Hoang Lien Son trained cadres and sent provincial cadres to assist the districts and basic units. Hoang Lien Son sent 150 cadres to help the basic units to combine the criticism and self-criticism campaign with preparing for the party organization congresses at all levels and consolidating athe basic level. By means of reviews, Ha Tuyen and Cao Bang promptly carried out disciplinary reviews of cadres with major deficiencies and repted immediately. The Ha Nam Ninh party committee guided and assisted the Ninh Binh city provincial unit in carrying out self-criticism and criticism, clarified the good points and deficiencies of the key district cadres, reached conclusions and immediately imposed discipline,nd promptly reported on the results, experiences, and the extent of disciplinary actions to the provincial party organization.

The party committee echelons and sectors are continuing to gain experience and find additional practical measures for carrying out the present political activity campaign, encourage large numbers of cadres, party members, and mass organizations to arrange for workers to participate in democratic criticism, contribute opinion to party members, and regard that as a positive preparation for the coming party organization congresses.

5616
CSO: 4209/533

## SECRETARIAT ISSUES RULES ON CRITICISM

Hanoi QUAN DOI NHAN DAN in Vietnamese 15 Apr 86 pp 1, 4

[VNA News Release: "Closely Guide Self-Criticism and Criticism"]

[Text] On 9 April the Secretariat listened to reports on the situations of localities and sectors with regard to implementing the Secretariat's directive on the organization of self-criticism and critism campaigns.

The Secretariat noted that a number of party committee echelons have made all-out efforts to fully understand the spirit of the Secretariat's directive, had a serious attitude, observed democratic practices, listened to the critical opinions of the lower echelons and the masses, and done a relatively good job of preparing to carry out self-criticism. But a rather large number of places have not yet made meticulous preparations, have been simplistic and subjective, have been careless, have not been democratic, and have not yet strictly monitored themselves.

The Secretariat has made the following stipulations:

In order to be in step with the work schedule for preparing congresses, self-criticism and criticism will be divided into two phases. In the first phase criticism and self-criticism will be concentrated on three points: moral quality, leadership style, and the cadre policy. In the second phase, after receiving outline drafts of the political report to be delivered at the Sixth Party Congress, self-criticism and criticism will then focus on the lines and veiwpoints of the Party and the organization of implementation.

The Secretariat stressed that in order for self-criticism and criticism to attain good resfults, the decisive matter is that the key leadership cadres of all echelons and sectors must be strict and exemplary in carrying out self-criticism, and must have an attitude of squarely facing the truth, speaking the truth, pointing out the good points, mentioning all the deficiencies, and determining measures to overcome them. The leadership cadres must calmly listen to criticism, accept it if they feel that it is correct, or give their side of the story if they feel that it is incorrect.

They must not have an impatient, scornful attitude toward people who criticize them. They are strictly forbiddeno have a vengeful attitude. Anyone who violates that stipulation will be dealt with severely.

All cadres and party members must criticize with a sense of responsibility and with an attitude of honesty, straightforwardness and impartiality, and objectivity, and have specific bases for their criticism. They must not mix in individual motives, be prejudiced toward comrades, or be guilty of untruthful criticism.

After self-criticism is carried out practical, specific steps must be taken. Things that can be corrected immediately must be corrected immediately. Plans must be drafted and deadlines set for correcting things that cannot be resolved immediately. The upper echelon must oversee those corrective steps. Those who fail to make corrections will be subject to party discipline.

5616
CSO: 4209/533

PARTY ACTIVITIES AND GOVERNMENT VIETNAM

## READERS CONTRIBUTE OPINIONS ON PARTY CONGRESSES

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 Apr 86 pp 1, 4

[Contributing Opinions About the Party Congresses column: "Encourage Party Members To Criticize Themselves Before the Masses ad the Masses To Criticize Party Members; Reduce Feasting and the Use of Imported Luxury Goods, Pay Adequate Attention to the Lives of Workers in the Sanitation Sector"]

[Text] During the recent period the prestige of the Party in the eyes of the people has declined. There are many reasons for that, but in my view it is in part because party members have not correctly played their vanguard role. Furthermore, the weapons of self-criticism and criticism have not been adequately used within the Party and between the Party and the masses. In this letter I would like to express my opinions regarding self-criticism by party members in the presence of the masses and criticism of party members by the party members.

Such self-criticism and criticism is nothing new, but frankly speaking it is seldom carried out, especially self-criticism by party members in the presence of the masses. Although they are not opposed to that practice, many comrades believe that it amounts to "opening one's shirt to let people see one's back," as "lessening the prestige of party members," "lessening the role of the Party vis-a-vis the masses," etc. If self-criticism by party members is not carried out well, it will be even more difficult to carry out criticism of party members by the masses because public opinion will "suspect the willingness of party members to accept criticism," "fear vengeance by party members," fear being accused of "lowering the prestige of the Party," etc. That will lead to the situation of party members and the masses gradually drifting apart and not having confidence in each other.

In many opinion, every Party cell and chapter must arrange for party members to carry out self-criticism before the masses every 6 months, or at least every year, followed by criticism of party members by the masses and concluding with the masses casting votes of confidence for the party members. It is necessary to take detailed notes of such regular self-criticism sessions in order to, during the next session, review the situation to determine how much progress has been made.

Party members who do not have the confidence and respect of many of the masses should voluntarily leave the Party. If they cannot see their mistakes they must be dealt with by the party committee echelons.

It must be frankly admitted that there are some party members in the Party who have lower moral qualities than average members of the masses, which harms the prestige of the Party. The diseases of indulgence and and fear of struggling, added to disdain for criticism and self-criticism, have led to overlooking the decline of the quality of party members. I recommend that on the occasion of preparing for the coming Party Congress the Party launch a strong activity campaign for party members to criticize themselves before the masses and for the masses to criticize party members. Only there by can the prestige of the party be increased and can the masses be closer to and have more confidence in the Party.

Nguyen Thi Van
Chemical General Department

The first thing I ask myself is whether my voice reaches anyone. After all is said and done I, like other street sanitation workers, have a complex about my lowly job. But in the new, socialist society, the goal is to gradually eliminate social injustice and bring about happiness and well-being for poor people. At any rate, I believe that, and feel less embarrassed inside. I have done street sanitation work for nearly 10 years and have been responsible for cleaning the central part of the city, with such model streets as Dong Khoi, Le Loi, Nguyen Thiep, Ngo Duc Ke, etc. On those streets there are many elegant houses, restaurants, hotels, and even people. But I am still saddened by that elegance, not because of narrow-mindedness or jealousy, but because of a sense of responsibility and concern. For example, many social injustices take place every day before our eyes: playing, partying, noisemaking, spending money as if it were water in the stores and bars, swindling, and even the buying and selling of gold and foreign exchange on Ngo Duc Ke and Dong Khoi streets. I cannot understand why, at a time when the nation and the city are experiencing many difficulties and there are days when people like us lack money to go to the market and rice to eat, some people earn money too easily and spend it wastefully. Is it that the Party and state ignore those injustices, while the state has been very strict toward our trade? For example, every year we are distributed only one suit of work clothes, a pair of poor-quality Bata sandals, and four pairs of gloves, but in fact those work clothes last only about 3 months in the course of the actual work of the street sanitation workers. Many of the women have to spend their own money to buy old clothing and shoes although the average per-capita income of workers in our trade is still too low.

I boldly recommend that it is necessary to quickly change the work clothes standard for people doing street sanitation work who must work exposed to the elements the year around. Every year the textile, machinery, and other workers receive two or three suits of work clothes every year but workers in the sanitation sector receive only one a year. That is unfair. Another opinion concerns the use of labor equipment: we often have to spend our own money to improve and repair the trash carts because the teams and units have no money for doing so. The state must invest funds to replace those primitive

trash carts so that we women will not have to work so hard. We must even limit our use of brooms to sweep the streets. Even if other expenditures were reduced only slightly, that would be sufficient to increase expenditures on our sanitation units and teams.

I would like to make another recommendation: Every day the street sanitation workers begin work at 0400 or 0500. At that time we witness the way of life of wandering homeless people who sleep on the sidewalks, including small children called "the dust of life." By all means, responsibility must be shown toward such people. If one looks at the downtown area only with daytime eyes, one can hardly fully realize the situation of people who live on the sidewalks. Practically all lives with which we come into contact represent pitiful stories which our society is responsible for promptly resolving.

The opinions I have presented are not concentrated and coherent, but we in the final analysis want society to be more wholesome and pure, and that the great disparity among families with regard to material goods be reduced. If that is to be accomplished, the coming party congresses at all levels must boldly concentrate on applying measures to make society more wholesome, such as cutting down on partying, reducing the importation of luxury goods, etc.

I often note clear injustices. The state makes many kinds of goods and also imports various kinds of attractive or clothing of one style or another, while we women who do street sanitation work need only an additional suit of work clothes made of cheap cloth, which we do not have because it is said that there is a lack of money!

5616
CSO: 4209/514

## NHAN DAN MARKS ANNIVERSARY OF NATIONAL ASSEMBLY ELECTION

BK271456 Hanoi Domestic Service in Vietnamese 2300 GMT 24 Apr 86

[25 April NHAN DAN editorial: "Continue To Move Forward To Build and Defend the Socialist Fatherland"]

[Text] Exactly 10 years ago, on 25 April 1976, our people successfully conducted a general election for the National Assembly of the entire country, an important event for our nation. It was the outcome of more than 100 years of sacrifices and persistent and indommitable struggle by our people, their unsquelchable uprising, and their 45 years of the determined-to-win, and inevitably victorious struggle under the leadership of our people and the great President Ho Chi Minh.

It was the outcome of 30 years of hard and brave struggle against the imperialist aggressors leading to the 1975 spring when the armed forces and people of our entire country coordinated in conducting a bold and swift general offensive and uprising which, climaxing in the Ho Chi Minh campaign, brought to a glorious end the anti-U.S. resistance for national salvation, thus winning the most acclaimed victory in our 4,000 year old history. This was the greatest political victory of our people. Following this great victory, we have had the successes of collective mastery, the strength of unity, and the steel-like determination of our people who are resolved to overcome all difficulties to successfully build a peaceful, independent, unified, and socialist Vietnam.

It was also the victory of the solidarity of the three Indochinese peoples and of the great assistance and support given by the Soviet Union and other fraternal socialist countries as well as by the entire porgressive world.

The 25 April 1976 general election marked a historic turning point for our country's revolution as it shifted to a new stage--the stage of socialist construction in the entire country.

Over the past 10 years, the people across the country have worked and struggled arduously; have overcome untold difficulties, dangers, and ordeals; have scored many new victories and successes; and have made our country's and people's strength and stature more steadfast in order to keep moving forward to build and defend the socialist fatherland.

Defeating the two wars of aggression waged by the Chinese expansionists and hegemonists, firmly protecting revolutionary gains, and fulfilling international obligations toward the fraternal people of Laos and Cambodia are the new outstanding and praiseworthy victories scored by our people over the past 10 years.

In building socialism--a completely new, difficult, and complex undertaking--our people have also demonstrated their courage, creativity, and their sense of collective mastery. They have effected initial but very important changes in our society. The wounds of war have been healed, the economy restored, and many new, great projects of socialism built. Progress has been made in industrial and agricultural production, especially in grain production. Socialist transformation has been stepped up and the scientific, technological, educational, and public health tasks have been undertaken in a relatively fast manner.

In particular over the past 10 years, our party has been positive in including in its program of activity the issue of renovating economic management. This issue was widely discussed at the fourth party Central Committee's sixth plenum; at the fifth Party Congress; at the fifth party Central Committee's sixth, seventh, eighth, and ninth plenums; and in a number of resolutions issued recently by the Political Bureau.

Our party, state, and people have exerted great efforts to discard the centralized, bureaucratic, red-tape, and subsidy-based management system; shift completely to the system of economic accounting and socialist business; regard planning as a central task; and broaden and guarantee basic economic units' right to autonomy in production and business. Many new models and factors in renovating the management mechanism are emerging.

Nevertheless, our national economy and our people's lives have continued to be beset with difficulties and privations. Apart from the successes we have had in initially renovating the managment mechanism and in moving forward, many new shortcomings, deficiencies, and difficulties have emerged and are being gradually overcome. Negative phenomena in society and in a number of party cadres and members remain serious.

Although the current revolutionary stage is still tough and complex and the socioeconomic situation has not yet been really stabilized, our country's revolution is making steady headway thanks to efforts to develop strong points and overcome weaknesses. Our country's bright future relies on our intelligence and morale and on the strength of unity and cooperation of all of us. Our people, proud of what they have achieved over the past 10 years and their many valuable experiences, are striving much harder to steel and improve their revolutionary determination to successfully build a peaceful, independent, unified, and socialist Vietnam.

Our people's steel-like revolutionary determination to take responsibility before history over the future of the nation was clearly demonstrated in the ballots they cast in the nationwide general election of the National Assembly 10 years ago: Vietnam is one, and the Vietnamese nation is one. This has been achieved only by the sacrifice of so much flesh and blood.

Upholding this determination, all of our party, people, and armed forces must achieve close unity and comprehensive cooperation with the Soviet Union, Laos, Cambodia, and other countries in the socialist community; resolve to implement the resolutions of the party Central Committee's eighth and ninth plenums; strive to struggle to stabilize gradually the socioeconomic situation; satisfactorily conduct the party congresses at all levels and the national party congress; and exercise the new management system while continuing to strengthen national defense and maintain political security and social order, oppose the land-grabbing war and the multifaceted war of sabotage waged by the Chinese reactionaries in collusion with the U.S. imperialists and other reactionary forces, and fulfill their international obligations.

All for the socialist fatherland and for the people's happiness!

/12913
CSO: 4209/493

## PHAM HUNG ATTENDS HANOI YOUTH CONFERENCE

BK311046 Hanoi NHAN DAN in Vietnamese 21 May 86 pp 1, 4

[Text] Commemorating President Ho Chi Minh's 96th birthday on 19 May, representatives of youths in the public security force of Hanoi Municipality, Ho Chi Minh City, Haiphong, and Quang Nam-Danang provinces held a conference in Hanoi to review tasks in the emulation drive to implement President Ho Chi Minh's six teachings over the past 2 years. The conference signed an agreement on a new emulation drive from now to the end of 1987 with the theme oc continuing "the revolutionary action according to President Ho's six teachings and building comprehensive, firm, and strong units."

Attending the conference were Pham Hung, CPV Central Committee Political Bureau member, vice chairman of the Council of Ministers, and minister of interior; Tran Vi, CPV Central Committee member and chairman of the Hanoi people's committee; and Le Thanh Dao, second secretary of the Ho Chi Minh Communist Youth Union [HCMCYU] Central Committee. The conferences were very elated to welcome these figures.

Comrade Hoang Bang Phien, secretary of the Hanoi Youth Union, on behalf of more than 30,000 youths in the public security force of the above-mentioned localities, reported to Comrade Pham Hung results of the 2 years emulation drive in "studying profoundly and implementing scrupulously President Ho's six teachings for the public security force." Over the past 2 years, under the leadership and supervision of various echelons of party committees and the administration, and thanks to the close coordination between the public security force, the army, and mass organizations in the movement for the fatherland security, youths in the public security force in these municipalities, cities and provinces have established 7,955 progressive models for combat, public service, and studies. Many youths have sacrificed their lives, braved difficulty and hardship, and scored outstanding achievements. These youths have set good examples for their unit members. They have been commended by the party and the administration and entrusted and admired by the people. They have built 1,068 projects, taken the lead in various tasks, overcome difficulties, fulfilled key duties of their units, thereby contributing to building a pure, firm, and strong people's public security force; maintaining political security; and reducing criminal offenses by 27 percent compared with the past 2 years.

In a solemn and warm atmosphere, comrade secretaries of the youth union of these municipalities, cities, and provinces signed an agreement for a new emulation drive. They pledged to develop more effectively their assault role and carry out more satisfactorily the movement for "implementing the [word indistinct] action according to President Ho's six teachings and building comprehensive, firm, and strong units." Comrades Pham Hung and Le Thanh Dao presented the best emulative banner of the Ministry of Interior to representatives of the Hanoi youths and the outstanding emulative banner of the HCMCYU to representatives of Ho Chi Minh City, Haiphong, and Quang Nam-Danang youths.

Addressing the conference, Pham Hung, vice chairman of the Council of Ministers warmly commended all youths in the security force of these municipality, city, and provinces for their achievements. He stressed: Carrying out the emulation drive to study and implement President Ho's teachings over the past 2 years, youths in the security force of these localities have developed their assault role at various units and made notable progress in realizing the theoretical and practical concepts of Uncle Ho's six teachings, thereby strictly applying his teachings to their combat and other tasks.

Vice Chairman Pham Hung also pointed out shortcomings in the emulation movement of youths in the public security force of these municipalities, cities, and provinces. He said that heads of units must take responsibility in overcoming these shortcomings, which stemmed from the lack of developing the intelligence and creativity of collectives, poor organization of activities, and impractical measures. Many units carried out their supervision by using administrative orders, thus failing to develop the youth's enthusiasm and to strengthen the movement's strong impetus. Vice Chairman Pham Hung expressed confidence that various echelon leaders in the public security force and leaders of the youth union are capable of overcoming these difficulties and that not only youths in the security force of these four municipalities, cities, and provinces, but youths throughout the country will strive to surge forward to score many more outstanding achievements, and work harder to achieve firmer maturity to be worthy as youths in the public security force, thereby contributing to firmly maintaining national security and social order [for] youths in the public security force throughout the country and those of the abovementioned four municipalities, cities, and provinces, as well as the HCMCYU and other youths must develop their sense of collective mastery and their assault role more vigorously, thereby positively contributing to triumphantly implementing resolutions of the party Central Committee's eighth and ninth plenums, and other resolutions of the CPV Central Committee Political Bureau and the Council of Ministers on tasks, objectives, and urgent measures that are aimed at rearranging and accelerating production, reforming private industry and business, controlling the market, stabilizing prices, foiling the enemy's sabotage activities, dealing with speculators and smugglers, eliminating negative phenomena, and stabilizing the economy and the people's daily lives thereby triumphantly [words indistinct] the state plan and scoring oustanding achievements to welcome the sixth CPV Congress.

/9604
CSO: 4209/571

## STATE, PRIVATE TRADING ACTIVITIES IN HANOI REORGANIZED

Hanoi LAO DONG in Vietnamese 20 Mar 86 p 3

/Article by P.V.: "Changes in Hanoi Market"/

/Text/ Ever since the beginning of 1986, market management in Hanoi has undergone noticeable changes. In the four urban wards, owing to the close cooperation between ward people's committees and commercial, public security, and tax sectors, some results have been obtained by reorganizing the market in each locality.

Hoan Kiem Ward has intensified control, continuously and firmly managed prices and the market, and reorganized local markets to make them more orderly, civilized, and convenient. Commercial registrations have been re-examined and reissued throughout the ward. Fines have been imposed on more than 600 illegal commercial households. Only teahouses whose existence proves really necessary have been issued registration certificates. More than 500 other teahouses have been closed down, 23 meeting places where traders made hand-to-hand transactions have been abolished, and legal proceedings have been taken against 245 businessmen specialized in disrupting the market. Along with reorganizing and reforming private traders, commercial, servicing, and food and beverage corporations have moved forward to grasp goods at their sources and to handle merchandise worth tens of millions of dong. The entire ward has acquired 26 tons of pork, 23 tons of glutinous rice, 13 tons of green beans, and 13,000 liters of fish sauce; 74 state stores and marketing cooperatives have regularly controlled the weighing, measuring, and quality of commodities.

While stepping up production and increasing on-the-spot sources of goods, Dong Da Ward has firmly suppressed businessmen bent on disrupting the market. On the occasion of the Lunar Year of the Tiger, the ward arrested 338 such businessmen and took legal proceedings against a number of them to force them to join the labor force. The Thuong Dinh, Kham Thien, Cat Linh, and Dua markets are being reorganized and made more convenient. The policy of the ward is to forbid the activities of taverns without a fixed place of business which have encroached on sidewalks and carried out illegal commercial dealings under the label of beverage shops. The ward is filling and leveling the ground in the Nga Tu So area to build a commercial and service center and is trying to build by the end of 1986 four shops and four ward-operated corporations to carry out commercial activities, to provide food and beverages, to supply materials, and to render various services.

Hai Ba Trung Ward has uniformly intensified price control and market management. The forest product joint enterprise of the ward has acquired thousands of steres of firewood, the coal corporation has obtained over 400 tons of coal, and the general trading corporation has created additional sources of handicraft and food products. Hundreds of cadres have participated in market management. To date, throughout the ward, over 1,000 teahouses have been closed down, over 1,000 illegal shacks dismantled, and 11 marketing locations encroaching on communication roads rearranged neatly. The market management forces fined many people for doing business contrary to registration certificates. More than 160 inspection tours have been conducted at state stores and action taken against the failure to sell good-quality commodities in specified weights.

Along with stepping up production to increase the merchandise reserve, Ba Dinh Ward has resolutely re-established social order and reorganized market management. It has considered it important to coordinate construction with opposition by applying the motto: "build the new in order to transform and fight against the old." Sales and purchases by the people have been reorganized in all markets to make them more orderly and convenient. The ward has set aside 1,000 square meters of land to relocate the Cong Vi market. Millions of dong have been invested in reforming and expanding the Buoi market. This task has been completed and, as a result, disorderly commercial activities at the nearby crossroad have been stopped. The markets in Thanh Cong, beside the La Thanh dike, and in Cong Chenh, and the Xanh and Giang Vo markets have been moved to fixed places and dealings in each category of goods have been reorganized. The ward is also setting up a commercial and service center around the Ngoc Ha market and in Son Tay Street and the 356th Street; construction of this center will be completed by the end of this year. Enterprises located in the ward will then bring their products for sale at this center, which will also be used as a place for trading activities, economic association, and merchandise exchange with friendly localities. State stores have been remodeled and re-equipped and have displayed a higher sense of responsibility, rendered better service, and assigned a turnover norm to each salesclerk. The ward has assigned to the trading corporation a turnover norm twice as high as that for 1985.

Together with the four urban wards, the banking, food, and commercial sectors in the city have effected many changes. The municipal bank has published regulations on initial modifications and improvements in its business transactions with customers so as to create favorable conditions for commercial and production units.

The food sector is overcoming difficulties with sources of goods and organizing prompt reception of commodities in order to have enough rice for continuous sale and to quickly distribute rice rations for February and March. Food shops have purchased dozens of tons of rice from the people. The sector has opened three more shops at the bus and railroad stations to buy grain brought in from other areas.

In addition to the existing retail network, the commercial sector has just opened another commercial cluster in Giang Vo which includes department stores selling textiles, clothes, metal and electrical wares, food products, and beverage. Such commercial clusters have now appeared in large collective areas such as Trung Tu-Kim Lien, Quynh Loi, and Bach Khoa.

9332/12228
CSO: 4209/476

## PRODUCTION ENTERPRISES GIVEN MORE AUTONOMY

Hanoi LAO DONG in Vietnamese 27 Mar 86 pp 1, 2

[Text] Haiphong is one of the localities chosen by the central authorities as pilot centers to update the production and business mechanism. With its traditional dynamism and creativeness, this port city is taking resolute, urgent, and bold but cautious action to properly implement the resolution of the Eighth Plenum of the party Central Committee. On 6 January 1986, the standing committee of the municipal party committee issued Resolution No 41 promulgating provisional regulations on the management mechanism designed to ensure the autonomy of installations in carrying out production and business activities. This resolution was followed by many decisions and directives of the municipal people's committee and various sectors and mass organizations. Afterward, along with training courses organized by various sectors and organs, the Haiphong trade union opened a major training course attended by over 500 trade union cadres to disseminate the decisions on this innovation.

To date, many policies have been implemented by production installations. The municipal people's committee has directly assigned the 1986 plan tasks to 150 basic units, together with a new system of norms including both legally compulsory and guiding standards. The production plan norms assigned have been linked to the need to gradually secure proportional amounts of materials and energy and also to the production sale plan so as to give installations autonomy in handling their own affairs. From mid-1986 onward, installations will begin preparations for drawing up the 1987 plan from low to high echelons. From now on, the supply of materials and energy and the sale of products will be done by virtue of economic contracts which will be binding on both sides through the provision of rewards and penalties and which will be signed directly between an installation and another without the presence of intermediary organs. Production management services will no longer direct the production process in installations but will become administrative and economic organs to assist people's committees.

All kinds of capital invested in capital construction and fixed capital will be gradually transferred to the credit fund while the entire floating capital of enterprises will take the form of credit so that enterprises will be considered to have borrowed capital from the state to do business and will

thus have the obligation to contribute to the state budget a sum of money under the form of a production tax. The tax rate will be calculated in accordance with the total turnover derived from the planned sale of goods. When making out an invoice, enterprises must simultaneously write a voucher stating the amount of production tax to be paid to the state budget. By this method, any profit made will be enjoyed and any loss incurred will be borne by production enterprises whose profit will be calculated according to this formula: deduction of all expenses and production tax from the total turnover obtained. If the total turnover is large and the total expenditure is small, enterprises will make a great profit. If the total turnover is below the plan norm, enterprises will have a small profit or none at all (but still have to pay the due tax according to regulations). Noteworthy is the fact that Haiphong applies the method of deducting from profit fines for violation of contracts and credit systems and of excluding all irrational expenses from production cost. It has been decided that "public relations expenses" (which usually involve many "negative" ones) must also be deducted from enterprise profit. To earn a large profit, directors and workers must thus exercise strict economy and comply with economic contracts and credit systems. Profit must be appropriated to three funds: production development, welfare, and reward fund.

The Haiphong bank is determined to abolish authoritarianism and to apply the principle that "all capital borrowed from the bank must pay interest and all money deposited with the bank must bear interest." All units are free to "use the service of the bank of their choice."

The directors of production units are entrusted with great responsibilities coupled with extensive, specific, and practical powers. By way of experiment, Haiphong has organized secret votes to enable workers to elect directors of some production installations; based on the voting result, the people's committee has decided on the directors' appointment.

After examining the actual situation in 20 installations, the Haiphong trade union federation has promptly guided the establishment of the workers' and civil servants' right to ownership and the trade union's right within the new management mechanism. The workers' and civil servants' right of ownership must be exercised during the plan formulation process while the trade union has the right to participate in formulating the plan and to justify it before the higher authorities. If the said conditions are not fulfilled, the trade union may dissuade the higher authorities from ratifying the plan. The trade union will appoint representatives to participate in all consultative councils at the grassroots level; it will also participate in organizing the election of directors and has the right to propose the competent levels to dismiss directors who infringe on the workers' right of ownership.

The updating of the management mechanism is in the initial state and must be done firmly and steadily. The Haiphong municipal party committee has decided to experiment with it in 17 industrial, small industry, and handicraft installations.

9332/12851
CSO: 4209/477

READERS COMPLAIN OF RISING PRICES

Hanoi LAO DONG in Vietnamese 10 Apr 86 p 7

['Letters of the Week' Column by Do Dang Diem and Do Vien]

[Text] Prices Surging Upward in Quynh Nhai District

Cadres and workers in Quynh Nhai District of Son La Province are generally concerned about the escalating prices at the present time.

Based on the new stipulation system, the area of Quynh Nhai District received a high cost subsidy of 21 percent of primary salary with the cities receiving a subsidy of 28 percent. However, there is too great a difference in the high prices. The price of pork in Son La City is only 65 to 70 dong per kilogram but has risen to 100 dong in Quynh Nhai. Grain in the city is 13 dong per kilogram but has risen to 20 dong in Quynh Nhai. Green vegetables in the city are 2 dong per kilogram and in Quynh Nhai have risen to 7 dong but even with money, purchase is not guaranteed. Meanwhile, state-operated trade stands with its hands tied, creating many additional difficulties in the lives of the cadres, workers and civil servants.

Another occurrence worthy of attention is that the cadres, workers, public servants and people have abandoned their fields to pan for gold on both sides of the Da River. Buying and selling here is not done by paying in money but in goods. Consequently, prices rise each day and may surge even higher. Both sides of the Da River have been dug as deep as a well. Piles of earth and rock are discarded like small mountains, not only causing the banks of the river to cave in but also presenting the danger of "elevating" the river bed.

We cadres and workers suggest that:

1. Leadership echelons in the local area must promptly stabilize prices for consistency with the subsidy levels mentioned above. Only by doing so will it be possible to ensure the living standards of workers, public servants and people in the district.

2. Immediately halt the unorganized panning of gold. There is too great a difference in the purchase price of state gold and that of gold among the people. If the requisitioning and purchasing agencies do not readjust these prices in a suitable manner, the panned gold will all fall into the hands of the gold merchants.

To Dang Diem
Quynh Nhai Coal Mining Enterprise,
General Railway Department

Requires Prompt Explanation

Seven months have passed since shifting toward the new wage system (from September 1985 to March 1986). The resolutions and regulations of central echelons as well as those of the province have stated that every 3 months, wage levels (or high cost subsidies) would be readjusted consistent with the market prices if those prices either rise or decline. To the present time however, that article has not been achieved and there has been no explanation. Meanwhile, in Ha Nam Ninh, state rice sold in fixed quantities is priced from 3.8 to 4.2 dong per kilogram and pork from 2.6 to 3.8 dong per kilogram. This is not counting nine other stipulated fixed quantity items which have also risen. The level of rice supplied to a number of cadres and civil servants has been cut by the decimal such as 15.5 kilograms cut by .5 kilograms. Scarce items have been sold at two prices, also without announcement or explanation but self-supplied above and stores distributing in accordance with this or that "paper" such as sewing machines, television sets, etc. Some with a sewing machine already have now been distributed another. Local radio stations and newspapers have issued reminders but the responsible agencies have not replied to the readers or listeners to truly see the extent of the corruption.

We believe that "words cost nothing and selective statements of explanation for mutual satisfaction" will give the wage earner peace of mind in his work.

Do Vien
Ha Nam Ninh Maternity Hospital

7300
CSO: 4209/574

## ELIMINATION OF INSPECTION-TAXATION STATIONS DECREED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 15 Apr 86 p 1

[Article : "Municipal People's Committee Requests All Places To Strictly Carry Out the Elimination of Inspection-Taxation Stations"]

[Text] On 5 April 1986 the Municipal People's Committee issued an official letter which stated the following: "Carrying out the policy of the Standing Committee of the Council of Ministers and the resolution of the Municipal Party Committee on eliminating all forms of inspecting cargoes on water and land routes, on 24 March 1986 the Municipal People's Committee issued Decision No 49/QD-UB on eliminating the inspection-taxation stations on water and land routes in Ho Chi Minh City.

Implementing the decision of the Municipal People's Committee, Cu Chi, Hoc Mon, and Thu Duc districts publicly announced the elimination of the inspection stations. The volume of agricultural products and foodstuffs entering the city has increased and the people, cadres, workers, and civil servants are very enthusiastic.

However, the situation of stopping and searching people and confiscating agricultural products and foodstuffs in the city by the market management, economic police, and traffic police forces is still widespread.

Therefore, the Municipal People's Committee requests the municipal public security police, the Municipal Market Management Committee, the Municipal Industrial-Commercial Taxation branches, and the people's committeees of the precincts and districts:

1. To strictly implement Decision 49/QDUB, dated 24 March 1986, of the Municipal People's Council. To guide the forces directly under their control in bringing an immediate end to searches and the confiscation of agricultural products, foodstuffs, and goods of export value in transit. Not to search the handbags or persons entering markets to do business.

2. To organize control elements and impose discipline on individuals who do not obey Decision 49/QDUB of the Municipal People's Council.

3. The management of goods must be carried out at the root, at the places of production, by means of economic measures combined with propaganda, education, and guiding the producers in selling their products to socialist commerce.

4. To orgafnize extensive meetings concerning Decision No 49/QDUB of the Municipal People's Council.

5616
CSO: 4209/514

VNA DESCRIBES RESOURCES OF EXCLUSIVE ECONOMIC ZONE

OW250830 Hanoi VNA in English 0718 GMT 25 May 86

[Text] Hanoi VNA 25 May--Vietnam's exclusive economic zone lies in the tropical area having the characteristics of both the ocean and continental shelf, hence its diversity in terms of animal life and richness in natural resources. These include notably fish, shrimps, crabs, molluscs and glacilaria. Fish catch can reach one million tons and more a year. Hundreds of thousands of hectares of marshes, estuaries, alluvium banks can be embanked for raising fish, shrimps, tortoises, pearl oysters, glacilaria... So far, some 1.57 million hectares of coastal land have been put into cultivation. Another 600,000 hectares can be exploited economically.

Hundreds of thousands of hectares of pine forests along the coast and nearly 400,000 ha of mangrove, cajeput and rhizophora conjugata have been supplying the local population with sizable quantities of timber and firewood. About 20,000 ha already grown with rush and another 50,000 ha of potential rush plantation constitute a vast supply of material for the matting and bag-making industry.

The coast also has a total of 20,000 hectares of salt marshes capable of giving one million tons of salt yearly, but so far half of this acreage has been exploited with an annual output of 600,000-700,000 tons of salt. Many salt-based products such as gypsum, magnesium and iodine could be extracted. As many as 3,000 islands (not counting the Hoang Sa and Truong Sa Archipelagos) covering 3,500 hectares still await better exploitation in service of economic development and national defence. Annually, the rivers flowing into the sea deposit billions of cubic metres of alluvium at the estuaries especially of major rivers such as the Red River and Mekong, pushing the mainland hundreds of metres to the sea annually. The land thus gained from the sea provides very favourable conditions for building new economic zones and thinning out the work force in the overpopulated areas. The sand on the coast and the offshort islands is an excellent material for the construction and glass industry. The sea had [as received] harbours immense coral reefs which supply material for the production of pure limestone and also precious medicine. The survey of gas, oil and other energy sources as well as minerals such as copper, cobalt, manganese, sulphur, and lead is being stepped up.

In addition to the existing major harbours, more than 100 river mouths and coastal ports provide important facilities for both inland and export transportation.

The energy resources of the sun, wind, wave, and tide remain to be exploited in service of productin and life. Places of scenic beauty and the construction projects that have gone up or will be built are major tourist attractions such as Tra Co, Do Son, Sam Son, Nha Trang, Vung Tau, etc. These are also ideal sites for rest houses and convalescent houses.

A number of special products are valuable export lines such as shrimp, cuttlefish, shark fin, and bladder, salagane nests, tortoise, red coral, coconut, rush, chili and bee honey... Especially, the export of exploitable shrimp and cuttlefish can be raised to the value of one million tons of fish in terms of value.

/12913
CSO: 4200/1084

AGRICULTURE VIETNAM

## SOUTHERN PROVINCES BOOST TEA PRODUCTION

OW290745 Hanoi VNA in English 0700 GMT 29 May 86

[Text] Hanoi VNA 29 May--Located in the Central Highlands, with a climate very propitious for tea growing all the year round, Lam Dong Province has quickly developed tea production considering it a key branch of the province.

Right after the liberation of South Vietnam in 1975, some 1,300 ha out of a total 5,000 ha, which used to be tea plantations of the capitalists, were collectivized. Despite many difficulties, the local people over the past 10 years have obtained heartening achievements in tea growing and processing. During that period, the province produced 145,035 tons of fresh tea buds and processed 33,077 tons of tea including 21, 185 tons for export, of which half was black tea. The quantity of tea exported in 1985 reached 2,560 tons compared with only 1931 tons in 1976. Especially last year, the province exported 120 tons more of black tea compared with 1984.

Tea is grown almost everywhere in Lam Dong, on hillslopes in the valley and in gardens. In Bao Loc alone, the local people have since 1981 put 1,600 ha under tea, and the state-run tea enterprise there grew 276 ha of tea in 1984-85.

Each year, the province has exported an average of 2,000 tons of tea the proceeds from which have been used to buy equipment and materials for enlarged tea production among the six tea factories in the province. The "19 May" and "May Day" tea factories are being enlarged.

This year, Lam Dong plans to produce 18,000 tons of fresh tea buds, process 3,800 tons of tea and export 2,200 tons.

/12232
CSO: 4200/1090

PERIODIC AGRICULTURAL PRODUCTION REVIEW

OW011218 Hanoi Domestic Service in Vietnamese 1100 GMT 30 May 86

[Text] Friends: Following are some noteworthy facts about agricultural production in the last 10 days of May.

Northern localities have begun harvesting early spring rice. By 25 May, over 50,000 hectares, or 5 percent of the cultivated area, had been harvested, 1 percent increase over the corresponding period last year. Along with reaping early spring rice, localities are focusing on tending and protecting the remaining rice plants, draining waterlogged paddies, and controlling rice pests.

The April-May rains have caused waterlogging in over 53,000 hectares of rice--of which over 7,000 hectares are heavily waterlogged; 1.295 hectares of corn; 453 hectares of tobacco; and 273 hectares of soybeans. Most of the affected rice is in Hoang Lien Son, Ha Nam Ninh, Ha Bac, Hanoi, Ha Son Binh, and Nghe Tinh.

Over the past 10 days, rice pests were still proliferating. By 25 May, the rice pest-stricken area totaled 330,000 hectares, or 31.5 percent of the cultivated area. Of this total area, 270,000 hectares were ravaged by brown planthoppers. Compared with the previous week, the pest-affected area shows an increase of 59,000 hectares, and compared with the corresponding period of last year, an increase of 114,000 hectares. The hardest hit localities are Ha Nam Ninh, with 94,000 hectares, or over 64 percent of the cultivated area; Thanh Hoa, with 49,000 hectares, or over 65 percent; Thai Binh, with 39,000 hectares, or 51 percent; Hai Hung, over 40,000 hectares, or over 35 percent, and so forth.

It is noteworthy that pest-induced burnouts have appeared in some localities: Ha Nam Ninh, with over 3,000 hectares, and Thanh Hoa, with nearly 900 hectares. Localities are urgently combating waterlogging to save the rice and controlling rice pests. Reports from various localities say ravages by waterlogging and rice pests will possibly decrease the rice yields.

Localities are also making preparations for the summer-fall and 10th-month rice crops. According to the General Statistics Department, by 25 May, 1,114,000 hectares had been plowed nationwide for the summer-fall and 10th-month rice crops, an increase of nearly 12 percent over the corresponding period last year. Although this year's soil preparation is fast,

the pace of transplantation for the summer-fall rice is slower--only 89 percent of the prepared soil compared with the corresponding period last year. The south had transplanted only nearly 520,000 hectares, a decrease of 60,000 hectares compared with the corresponding period last year.

The seed sowing pace in the north is fast. By 25 May, seed sowing for the 10th-month crop had been done in nearly 20,000 hectares, a 90 percent increase over the same period last year. Also by 25 May, early 10th-month rice had been transplanted in 118,000 hectares countrywide, or 89 percent of the transplanted area in the corresponding period last year, including over 113,000 hectares in the south, or 76 percent of the transplanted area compared with the same period last year.

Friends, all localities should pay attention to the following work in the next week:

Intensive work is now being done in various localities to combat water-logging to save the rice. However, all localities should think of preserving water to ensure sufficient water for the 10th-month rice in anticipation of a possible prolonged drought due to weather vagaries. Therefore, water must be drained from low-lying paddies and embankments must be built to preserve water in high-ground paddies.

Efforts must now be devoted to controlling brown planthoppers to save the rice. Experiences gained by a number of localities that did a good job in controlling brown planthoppers to protect the rice, such as Tu Loc in Hai Hung and Ha Bac, show that the pest-affected area decreases rapidly if close guidance on insect control is provided. Localities are now concentrating on insect control to protect the fifth month-spring rice and are also taking insect control measures to protect the 10th-month rice by using pest-resistant varieties in seed sowing, and also by spraying rice seedlings with insecticides.

Localities should pay attention to sowing seeds on schedule and in accordance with production plans. Seed sowing must not be done too early, so that rice seedlings will not be overgrown when transplanted and so that rice yields will not be adversely affected.

Harvesting of the fifth month-spring rice is approaching. Localities should organize well workforces to expedite harvesting and urgently make preparations for the 10th-month rice. Southern localities should accelerate the cultivation of the summer-fall rice and that of the legumes and secondary and industrial crops for the summer-fall and 10th-month crops to ensure timely fulfillment of the cultivation plan norm.

/9604
CSO: 4209/571

## BRIEFS

SUMMER-AUTUMN RICE PLANTING--Peasants throughout Vietnam have put 290,000 hectares under summer-autumn rice. They are now concentrating on fighting crop pests and floods caused by recent heavy rains. Peasants in southern Vietnam are mobilizing all available means for soil preparation and ensuring water for the summer-autumn rice crop. [Text] [Hanoi International Service in English 1000 GMT 24 May 86 BK] /12913

AN GIANG RICE HARVEST--Hanoi VNA 24 May--The Mekong River Delta province of An Giang has harvested more than 517,000 tons of rice on a total acreage of 102,306 ha of winter-spring rice crop this year. The average productivity was .2 tons per hectare, and in some areas such as Phu Chau and Phu Tan Districts, it reaached 5.5 tons per ha. In particular, Cho Moi District reaped 5.7 tons per ha on all its 19,000 hectares. Prior to liberation (1975), most of the province's rice acreage was planted with a single crop, chiefly floating rice. Since 1975, almost all the rice acreage has been put under two crops, of which the winter-spring crop is the additional one. [Text] [Hanoi VNA in English 0720 GMT 24 May 86 OW] /12913

VNA DETAILS INVESTMENTS--Hanoi VNA 26 May--The Mekong River Delta provinces are increasing investments in building export crop and animal husbandry areas. The agricultural service of Hau Giang province, a major rice growing area in the Mekong River Delta, is making preparations for the zoning of a 50,000 hectare area for the cultivation of special rice strains. It has provided 10,000 tons of fertilizer and 204 tons of insecticide for intensive cultivation in the area. The southernmost province of Minh Hai is surveying its workforce and land to mark off areas for growing soya and green beans and rearing ducks for export. In the current monsoon, local peasants have planted 200 hectares of soya-bean, and reared 4,000 ducks. They have been supplied with cash investments fertilizer, and insecticide to plant 30 hectares of coconut and 3,000 cashew trees. In An Giang province, the peasants have built many irrigation works and prepared new high-yielding varieties for the growing of green bean for export. In their recent crop, they harvested 7,000 tons of green beans, a 31 percent increase over last year. In Chau Phu district, the peasants have harvested 3,700 hectares of green bean with an average yield of two tons per hectare, a record output so far. [Text] [Hanoi VNA in English 0703 GMT 26 May 86 OW] /12913

CSO: 4200/1084

OFFSHORE OIL RIG STRIKES COMMERCIAL QUANTITIES OF OIL

Hanoi TIEN PHONG in Vietnamese 29 Apr-5 May 86 pp 1, 3

[Article by Truong Tu: "Young Oil Workers in the Open Sea"]

[Text] White Castle on the Blue Ocean

Stationary Drilling Platform 1 (MSP-1) was floating motionlessly in the April sunshine like a white castle on a blue ocean. "This is an iron and steel structure with a total weight of nearly 10.000 tons that is stationed securely on the surface of the sea thanks to 'legs' reaching up to 90 meters to the seafloor. They consist of two footings, each weighing from 1,200 to 1,400 tons, a large steel beam and more than 20 block modules, each weighing from 200 to 250 tons. It has a drilling rig 53 meters high which moves on the drilling platform and from there is able to drill 16 slanted holes permitting us to ascertain oil deposits and reserves. We are standing on the operating block. The siphoned up natural gas receives preliminary treatment here." Geological Engineer Truong Ngoc Bich of the Offshore Drilling Department meticulously explained to me each block on Stationary Drilling Platform 1. As if noticing the dazzled look in my eyes before the gigantic structure of the drilling platform and my cautious steps among the crisscrossing cables and wire, iron and rubber pipes, gauges, valves, and large and small motors, Bich mischievously said, "If from this angle the platform seems like a monster, in a moment in the crew quarters block, you will see that it is a true castle with cool lounges and full and rich amenities to easily lull you into dreamland." On the platform, the drilling was being urgently carried out during the stifling heat of April. A Vietnamese driller, soaked with sweat, was using an AKB automatic lock to connect the thread rod. The rotor disk began to turn uniformly and the driller explained to me, "The bit of this drill is penetrating deep into the earth." His name was Vuong Thanh Liem, from Can Tho.

Twenty eight years old, unmarried and a graduate of the Ba Ria Petroleum Technical Workers School, Liem had the appearance of small pale-faced student but he was extremely enthusiastic. "This is my teacher," Liem said laughingly as he pointed out Drilling Shift Chief Usubop, "This is the first time that I, as well as nearly all the Vietnamese workers, have worked with the primary drilling equipment on this MSP-1 drilling platform. Comrade Usubop has helped me become familiar with the modern equipment and has generously shared his rich experience."

With his good skills, Liem has been evaluated by the worker promotion council, chaired by Drilling Department Chief Engineer Kiadimop, as a category 4 and

recently a category 5 driller. Vuong Thanh Liem said that a friend of his, driller Mai Tai Nang from Vung Tau, with the side-saddle assistance of Drilling Shift Chief Guseinop, has also progressed rapidly in accurate disassembly, assembly, raising and releasing the boom, and in addition is shouldering other jobs such as preparing solutions, cable clamps, etc. "But don't forget my other friends on this drilling platform." Liem pointed some new faces. The tall and sturdy workers were dark skinned from working in the sun. There was Hoang Minh Son (called jokingly Son Trau by the other men), 27 years old from Vinh Phu, an outstanding category 4 model worker of the Drilling Department; Le Huy Hoang, 25 years old from Thanh Hoa, a cable hooker--who achieved a decisive point for the supply ships with his precise mooring; Tran Viet Tien, 28 years old from Nghe Tinh, a category 5 welder with many achievements and awarded the title of "International Emulation Combatant"--a title granted outstanding workers by the SEV bloc, etc. Then, there were those working aloft--installing, dismantling and connecting the drilling rig on the tower, crane operators, explosive experts, grouters, etc. The names of the trades sounded strange to the ear and I only understood them clearly when I saw them operating the modern machinery and equipment. I once watched the crane and bulldozer operators at the Hoa Binh hydroelectric worksite but compared with those here, they had no tower at all and were like dwarfs compared to giants. Here, they "shouldered" footings as big as a mountain and as heavy as 1,400 tons aboard ship, carried them out into the open sea, and planted them on the sea bottom; 200-ton module blocks were piled on top of each other like pill boxes, etc. They performed all of these jobs high aloft and among the drifting waves while withstanding constant force 3, 4, 5 and 6 winds, and the burning sun. There were also a series of machinists, repairmen, lathe operators, electricians, etc. who also make no small contribution to the flow of oil from the earth.

"What can be said about the young workers of the Vietnamese petroleum sector? Briefly, they have swiftly progressed, rapidly matured and perform faultless work"--was the assertion of nearly all the Soviet specialists. As for myself, I have another opinion: the young gasoline and oil workers bear the full stature of individuals going to conquer the open sea and the subterranean earth.

Moments of Rising Oil

"During my life of petroleum work, there were 2 days I will never forget. They were 26 May 1984, the day the first oil deposit on the continental shelf of our country was found, and recently on 12 March 1986 when we tested Deposit 7 of the straight-drilled well of Stationary Drilling Platform 1," Deputy Director Dinh Van Danh of the Offshore Drilling Department said movingly as he read for me the rhymes concerning those commemorations:

"Suddenly from deep within the earth
The water overflowed and the oil spurted
A single-colored glossy black
Oil! Oil!
From a hundred degrees of heat
Overflowing in burning
Expectations
A stream of crude oil from the heart of
Vietnam"

Chief Geologist Tran Van Hoi of the Offshore Drilling Department recalled, "At 0500 on the morning of 12 March 1986, the deposit testing apparatus was lowered into the hole and at 12 noon, it was in operating position. At 1630, the water began to spurt out and at 1720, oil appeared at the mouth of the well followed by a rising oil flame that illuminated the entire sea area. This first deposit test had an important significance in that it showed that the flow of oil in the well was large, extremely good, and a basis for deciding the drilling of slanting wells to orient subsequent exploitation. In nearly 2 years of hard work on this sun and windswept platform, that was the happiest and most encouraging moment. Everyone rushed to shake hands and congratulate each other. Every man was covered with oil and grease. All carried bottles to request a bit of the shiny black oil as a souvenir from Deputy Platform Director Olech Stephannovich Nasco. The moments of rising oil were extremely moving. Some were so happy that they shed tears. They had spent countless days on the open sea, eagerly waiting for an industrial exploitable oil flow of economic significance. To have oil is one thing but it is necessary to define the deposit and reserves of high economic value which far exceed the amount of capital invested per drilling platform. Many men worked through two full shifts--24 continuous hours, in the burning sun and also during the cold night dew, to have these moments of rising oil--the confident affirmation was for an exploitation plan of economic significance. The Soviet Minister of Petroleum and the Director of the Vietnam Oil and Natural Gas General Department also immediately flew out to the platform to see firsthand the results of a succession of arduous days of labor by the cadres and workers of Vietnam and the Soviet Union. Throughout that night, many were unable to sleep. "Today, we remained awake the whole night because we were too happy!" was Drilling Solution Engineer Ariph Radaboptam's sentiment. He had worked in the petroleum sector for more than 20 years but these were truly unforgettable moments in his life. "Each time I go back to the mainland, my wife asks me if the oil has come up yet but this time, I will take her a little of this oil so she will be as happy as I am."

Written at Vung Tau
April 86

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OIL STRIKE IN BACH HO FIELD

Hanoi LAO DONG in Vietnamese 3 Apr 86 p 3

[Article by Dang Hieu: "Oil Strike on Offshore Drilling Platform 1"]

[Text] At 1500 on 10 March 1986, joyful news flew swiftly from the stationary offshore oil drilling platform in the Bach Ho block to the mainland. Then it rapidly spread from the coastal city of Vung Tau to become a great mood of happiness throughout the country.

Oil strike! On the drilling platform on the afternoon of 10 March, after examining the pressure gauges of the Parker test probe pressing on the oil deposit, the Vietnamese and Soviet engineers slowly opened the valve for the deposit oil to enter the pipe. The valve was turned once, twice...and then nine revolutions. The upper column of pressure assisting water rose with the expectant anxiety of those waiting around the hole. There was oil already! The statement was almost simultaneously uttered in Vietnamese, Russian and the Azerbaijan language of the Baku oil fields when everyone saw the stream of smooth black oil overflow from the escape pipe and flow out unrestrainedly. No one could suppress his emotion or happiness. Deputy Platform Chief Lotsco movedly embraced Engineer Shift Chief Ha Ngoc Khue and then used his hand to receive the stream of flowing black oil gleaming in the sunlight and smeared it on the cheeks of his partners. The news of oil swiftly spread up to the sleeping quarters of the workers from the previous shift. They hurriedly woke up to embrace each other in joy. They smeared oil on each other's cheeks to express their boundless happiness and then obtained bottles or any other type of container to hold a few drops of this historic oil to carry back to the mainland as a gift for their relatives.

Alongside the workers in the middle of a great ocean during these moments overflowing with joy, I unconsciously recalled the lines of large letters in the Vung Tau petroleum port: "Two congresses--one objective." That is an order and a sentiment of the workers and communists of Vietnam and the Soviet Union oriented toward the 27th Congress of the Soviet Communist Party and the Sixth Congress of the Communist Party of Vietnam.

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LABOR VIETNAM

YOUNG LABORERS COMPRISE MAJORITY OF WORK FORCE

Hanoi TIEN PHONG in Vietnamese 29 Apr-5 May 86 p 2

[Unattributed article: "A Powerful Contingent"]

[Text] To the present time, worker youths account for 53 percent of all the workers and civil servants in the entire country. Moreover, up to 50 percent of those working in the small industry and handicrafts sector are youths.

There are about 700,000 young skilled technical workers and 481,000 young scientific and technical and management cadres in all sectors. Their average work category is 3.2/7 for machinists and high-grade (4, 5, 6 and 7) technical workers account for 10 percent of the total number of technical workers.

During a period of 5 years (1981-1985) alone, nearly 100,000 young workers achieved skilled craftsmen titles at all levels, 5,845 youth union member collectives completed and exceeded the state plan, and 1,136,298 youth union members exceeded state plan norms. Developing more than 100,000 innovations worth hundreds of millions of dong (old currency), 3,274 young scientific and technical sections in the sectors performed many effective activities in the task of leading worker youths in a charge into science and technology (since 1981, an annual average of more than 25,000 innovations and scientific and technical topics have been placed in use.) During 1985, more than 25,000 tons of scrap iron and steel were collected. The worker and civil servant youths of 17 provinces have achieved savings balances and bond purchases of 1 million dong and up. Young people in the trade sector have established more than 3,000 youth stands to provide model service. More than 20,000 Communist Youth (central and basic level) projects have returned results in many aspects for production and youth union work.

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## NEGATIVE ASPECTS OF YOUTH LIFESTYLE DISCLOSED

Hanoi LAO DONG in Vietnamese 27 Mar 86 p 2

[Article by D. Ch.: "Bizarre Stories"]

[Text] Old folk songs have funny verses such as the following:

"When the third month of the lunar year comes,
"Frogs will bite the necks of snakes and carry them to the fields,
"Tigers will lie down and have their hair licked by pigs,
"And the octogenarian will gulp down 10 persimmons at one go..."

Everyone knows that these are jokes about illogical things that can never happen. However, abnormal things have been happening these days. During a meeting of the youth union chapter at a factory workshop, a female youth union member who was a worker in the milling unit raised her hand to ask permission to express her views. She said sarcastically:

"May I suggest that we adopt some attitude toward the present lifestyle of young people. How is it that there are so many strange things? We have only to cast a glance at the collective residential area in our factory. In the morning, only old and retired folks get out and perform calisthenics while young people are still sleeping and do not rise up until 7 o'clock. Today old people eagerly study and read books and newspapers and live a wholesome life while the young want to have a good time and drink alcohol immoderately. The old learn to play international and national chess just to exercise their minds while the young have a passion for gambling."

"I agree with you," another worker said. "We must firmly deal especially with the habit of using foul language. Whenever they open their mouths, girls between 18 and 20 years of age with their beautifully made-up faces speak, alas, more rudely than fishwives in the markets of yore! What a shocking spectable!"

An engineer said more philosophically: "In my opinion, more abnormal is the fact that nowadays old people live optimistically and believe in the future, while young folks are pessimistic as if they had lost the battle. And they are so for no reason at all!"

Another man added: "You can also see a similar sight during religious services in pagodas and temples where youths outnumber many times the ladies who used to go there in the past."

The meeting heard many more opinions each of which was a sharp stroke of the painting brush that drew the overall picture of the diametrically opposed behaviors of the young and old generations. When the picture was near completion, everyone was surprised to find that it was entirely made up of two contrasting shades--bright and dark--like the paintings done formerly by Rembrandt.

But again it was the young folks in my factory shop who unanimously decided to amend their lifestyle in order to put back the bright green color into that portion of the picture which represented their own generation. I believe that we will be able to do so for the simple reason that we are the young folks and workers!

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ABSTRACTS OF ARTICLES FROM TRIET HOC DECEMBER 1985

Hanoi TRIET HOC No 4(51) in English Dec 85 pp 191, 192

[Text] Abstracts of TRIET HOC (Philosophy) December 1986

Some questions on social laws and economico-political relations in the period of transition in Vietnam

Ho Van Thong

The economico-political relations are those which dominate and rule all the phenomena of social life, especially in our time.

It is necessary to recorrect the economical relations which determine the politics, and the priority of politics to the economy. In the period of transition, the center of politics must be turned to economy. In building socialism, if the politics did not exactly reflect the needs of economical developments, it must be subjective, far from its principle purposes, and weakens itself. In return, if the economic activities wore carried out for the sake of profits only, one can't recognise the processes of production as those in which socialism is formed, capitalism is defeated, and that will be the spontaneous tendency far from their strategy, without gaining the efficiences of economy in both levels of class and state.

On the Task of Suppressing Negative Phenomena in the Field of Economy in Our Country This Time

Hong Hai

From the practice and in the lawful aspect, the article examines the process and the characters of the economical offenders in our country this time. It suggests some methods which ought to be realized at present to prevent the people from committing economical offenses.

During the last decades, the economical offenses have many great qualitative changes. The degree of its danger rises increasingly not only because of the changes of spheres, degrees, tricks but the changes of the offenders. In the past the economical offenders belong to the explorative classes and the professional stealers, and now spread over the degenerative, backward cadres. In

order to hinder the people from committing the economical offenses, it is necessary to realize many kinds of methods parallely: economic, administrative, organisational, lawful, etc. However, at present, it must be firmer to struggle against the economical offences, to invigorate the inspection and the control of the productive activities and the enterprises, to integrate the administrations defending the laws with the other state-organisations into the course of suppressing the offenses, into the renovation and the perfection of the economical and penal laws.

The Causes of Cognition of Bureaucracy and Administrative Subsidies in the Mechanism of Economic Management

Nguyen Van Thao

The bureaucracy and administrative subsidied of the economic management have been breaking and obstructing the effects of the economic laws, destroying the motive powers of the developments of the socialist economy. Its causes are originated in the cognition and applying of the economic laws of socialism, in cognition and making motive powers of the economic development of the managerial subjects. Recognitizing only the general theories of the system of laws of socialist economy, ambiguously analysing the economic status in reality, not paying attention to the practical experiences concluded by the people, not finding concrete transitive economic forms inevitably turn the economic management into the bureaucracy and administrative subsidies. The economic interests are the source of the motive powers of production of the economic subjects. The socialism has the system of the reconcilable economic interests of individual workers, collectives and society. The ambiguous cognition and applying of the system of the economic interests has destroyed the motive powers of the productive developments.

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